Daily Report

Latin America

FBIS-LAT-90-086
Thursday
3 May 1990

Daily Report
Latin America

FBIS-LAT-90-086 *3 May 1990*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Information on Arms Shipment Said Misinterpreted *[CANA]* 1

INTER-AMERICAN AFFAIRS

Cavallo Addresses ALADI Ministerial Meeting *[Buenos Aires TELAM]* 2
Presidential Meeting Next Year *[Montevideo Radio]* 2

CARIBBEAN

Cuba

Cuban Shield Described as 'Defensive Exercises' *[Havana International]* 3
FAR Officer Comments *[Havana Radio]* 3
Rodriguez in Cyprus for South Commission Meeting *[Havana Radio]* 3
Almeida, Delegation Conclude Visit to Uganda *[Havana Radio]* 4
Castro Interviewed at Workers Federation Reception *[Havana TV]* 4
Ross Speaks at International Trade Union Meeting *[Havana Radio]* 5
More on Meeting *[Havana Radio]* 6

Dominican Republic

Foreign Minister Deplores Campaign Violence *[Santo Domingo Radio]* 6
PRSC Leader on Dominican Investments in Cuba *[Santo Domingo Radio]* 6

Haiti

Fourth Provisional Electoral Council Sworn In *[Port-au-Prince Radio]* 7
Two Canadian OAS Election Experts Arrive *[Port-au-Prince Radio]* 7
Correction to CEP Member Reveals Corruption 7

CENTRAL AMERICA

El Salvador

Rebels Attack Capital, Cristiani's Residence 8
Attacks Cause Blackouts *[AFP]* 8
Cristiani Unharmed in Attack *[Mexico City NOTIMEX]* 8
18 Casualties Reported *[ACAN]* 8
Rebels Still Want Dialogue *[ACAN]* 8
FMLN Communique on Attacks *[San Salvador Radio]* 9
Government-FMLN Talks 'Postponed Indefinitely' *[Mexico City NOTIMEX]* 9
Colonel Ochoa on Armed Forces' Statement *[San Salvador Radio]* 9

Guatemala

President Cerezo Denies Rumors of Coup Attempt *[ACAN]* 11
Workers Union Official Criticizes Budget *[PRENSA LIBRE 28 Apr]* 11

Honduras

* Callejas on Effects of Economic Program *[EL HERALDO 2 Apr]* 11

Nicaragua

Unions To Announce Salary Adjustment Proposals *[Managua Radio]* 13

Panama

'Training Exercise' at Presidential Palace *[LA ESTRELLA DE PANAMA 2 May]* 13
'Accidental' Death Reported *[Panama City Radio]* 14
Arias Calderon on Coup Rumors, Child Murder Case *[Panama City Radio]* 14
Comments on Prosecutor's Remarks *[Panama City TV]* 15
Comments on Discord in Alliance *[Panama City TV]* 15
Special Prosecutor Miranda on Loaiza Involvement *[Panama City TV]* 15
Loaiza Files Suit Against Miranda *[Panama City TV]* 16
Ambassador to Washington on President's Visit *[Panama City TV]* 17
FP Reiterates Refusal To Provide Information *[Panama City TV]* 18
Police Director Denies Resignation Rumors *[EL PANAMA AMERICA 1 May]* 18
Anti-Imperialist Slogans Mark 1 May Celebration *[Panama City TV]* 19
Torrijos Remains Stolen From Crypt *[LA PRENSA 2 May]* 19
Commentary on Events Fostering Insecurity *[Panama City Radio]* 19

SOUTH AMERICA

Argentina

President Menem's Address to National Congress *[Buenos Aires TV]* 21
Ambassador to UK on New Province with Falklands *[TELAM]* 28
Foreign Minister Returns From U.S., Mexico *[TELAM]* 29
Former Nazi Officer Extradited to FRG for Trial *[Madrid EFE]* 29

Bolivia

Dispute Arises Over Lithium Contract in Potosi 30
Government 'Deplores' Protest *[PRESENCIA 25 Apr]* 30
Editorial on 'Controversial Decision' *[EL DIARIO 25 Apr]* 30

Brazil

U.S. Journalists Reportedly Arrested, Released *[O GLOBO 28 Apr]* 30
Labor Minister Explains Drop in Inflation *[Rio de Janeiro TV]* 31
Government To Hold Prices of 'Essential Goods' *[Rio de Janeiro TV]* 32
Destruction of Clandestine Airstrips To Begin *[Brasilia Radio]* 32
47 Billion Cruzeiros Released for Health Care *[Brasilia Radio]* 32

Chile

Aylwin Addresses Crowd Attending Labor Day Rally *[Santiago Radio]* 32
Economy Minister Admits Inflation Revived *[Santiago Radio]* 36
Defense Minister on Military Adaptation Problems
[Lisbon DIARIO DE NOTICIAS 20 Apr] 36
President Aylwin Meets With PLO's Faruq Qaddumi *[Santiago Radio]* 37
Pinochet Says 4,050 Inmates on Hunger Strike *[Santiago Radio]* 37

Colombia

Barco Opposed To Foreign Mediation in Talks *[Hamburg DPA]* 37
Liberal Party Senator Kidnapped by EPL Unit *[Madrid EFE]* 38
M-19 Blames 'Security Services' in Pizarro Death *[Mexico City NOTIMEX]* 38
Navarro: 'No Reason' for Escobar To Order Murder *[AFP]* 39
4 Policemen Injured by Bomb; Army, Rebels Clash *[Bogota Radio]* 39

Peru

Garcia Denies Coup, Calls Rumors 'Nonsense' *[Lima TV]* 40
Presidential Candidates' Labor Day Addresses 40
Fujimori Addresses Workers *[Lima TV]* 40
Vargas Llosa's Greeting *[Lima TV]* 41
Fujimori's Government Program Due 'Very Soon' *[Lima TV]* 41
Trial of MRTA Leader Begins Under Heavy Security *[Lima TV]* 42
Electricity Rationing Affecting 40,000 Companies *[Buenos Aires DYN]* 42
Clandestine Graves Discovered in Huamanguilla *[Buenos Aires DYN]* 43

Information on Arms Shipment Said Misinterpreted

FL0205023490 Bridgetown CANA in English 2351 GMT 1 May 90

[Text] St. John's, Antigua, May 1, CANA—Antigua and Barbuda's Foreign Ministry said on Tuesday [1 May] the government had not received information from the International Police or from Israel clearing people here of involvement in an illegal 1989 arms shipment.

It was reacting to comments Prime Minister Vere Bird made during a public meeting Monday [30 April] night.

"It has come to the attention of the Ministry of Foreign Affairs that a statement made by Prime Minister the Rt. Hon. Vere C. Bird Sr., at a public meeting of the Antigua Trades and Labour Union last night is being interpreted in some quarters to suggest that information has been received clearing Antiguan personalities of involvement in the transshipment of Israeli arms through Antigua to Colombian narcotics traffickers," the Ministry said in a statement.

"The Ministry of Foreign Affairs wishes the public to know that this is an incorrect interpretation of information received from Interpol and the Government of Israel."

One of the prime minister's sons, Security Advisor Vere Bird Jr. has been accused of involvement in the illegal shipment—a charge Bird Jr. denied.

The Foreign Ministry is headed by another son, Lester Bird, who had been pressing for a judicial probe of the arms scandal.

Cavallo Addresses ALADI Ministerial Meeting

PY0105162090 Buenos Aires TELAM in Spanish 0051 GMT 1 May 90

[Text] Buenos Aires, 30 Apr (TELAM)—Argentine Foreign Minister Domingo Cavallo has said in Mexico that the Latin American Integration Association (ALADI) "should do away with the approach that relies too heavily on commercial goals and should give more consideration to the factors which affect exchange; such as transportation, tourism, telecommunications, the financial and monetary situation, and the coordination of macroeconomic policies."

Cavallo made this statement in a speech to the opening session of the "5th Meeting of Foreign Ministers of ALADI Countries," during which the 11 ALADI members will try to adopt specific measures to make gradual progress [words indistinct] in regional integration, especially in the areas of transportation and commerce, for the 1990-1992 period.

In a communique, the Foreign Ministry reported that Cavallo said that to radically change this situation "all tariffs should be gradualy reduced by strict deadlines."

He added that "this situation and the changes in the international economy have driven us to propose a new strategy, a strategy of acceleration with simple and complex factors. The simple factors will be contained in a proposal which will seek to eliminate all nontariff barriers and quantitative restrictions on inter-Latin American trade."

He said that "Latin Americans have once again met at ALADI to debate on the need to speed up integration, which we should achieve because it is our duty to our forebears and to ourselves."

"On this occasion, on behalf of the Argentine Government I would like to express that my country firmly believes it is necessary to rapidly find our place in the international community from the political, economic, financial, and commercial viewpoints," he added.

He went on to say that "in the international arena, the world economy is witnessing the creation of large economic blocs like in Europe, southeast Asia, and northern America. The speed of such processes justifies the need to create a Latin American economic group with a market large enough to allow us to efficiently compete."

"We must design mechanisms that can effectively account for the size differences of our economies so the smaller economies have the same chances as the more developed ones. To this end, we believe that part of the trade balance surplus of the creditor countries of the region should be used for investment in smaller countries to increase their exports."

"On the other hand, the complex factors will be contained in those measures which coordinate our macroeconomic policies. These factors will also be contained in measures that will promote integration, seeking to ensure that the results will be balanced and that they will have the right 'timing' [preceding word in English], and thus not hinder the implementation of the proposal containing the simple factors," the communique concludes.

Presidential Meeting Next Year

PY0205034090 Montevideo Radio Carve in Spanish 0000 GMT 2 May 90

[Text] A summit meeting of presidents of the Latin American Integration Association [ALADI] member countries will take place in Montevideo next year. This meeting has been proposed by Uruguay. The Uruguayan Foreign Ministry has released a communique that states that the foreign ministers of the 11 countries that make up ALADI have approved Uruguay's proposal to hold a presidential meeting in Montevideo, where the ALADI has its headquarters.

This information was relayed from Mexico by Uruguayan Foreign Minister Hector Gros Espiell, who is participating in a ministerial-level meeting organized by ALADI. Speaking about the date of the summit, Gros Espiell said that the initial idea was to hold it in 1991, but certain countries are interested in moving it forward.

In fact, the Uruguayan proposal to hold a summit meeting was made public by Uruguayan President Luis Alberto Lacalle on 20 March when Colombian Ambassador to ALADI Jorge Luis Ordonez took over as secretary general of the organization. Lacalle's suggestion was prompted by the need to redirect the process of regional integration.

Gros Espiell repeated this proposal in his speech to the ALADI meeting in Mexico. He stressed that the integration process must be redirected on the basis of serious studies of the political and economic role that Latin America must play in the 21st century.

He quoted from the speech that Lacalle made on 20 March, saying that we must forsake resignation and make a cold self-assessment to pinpoint our weaknesses and mistakes.

After stating that the process of regional integration must be tailored to the new international status quo, Gros Espiell emphasized that the new approach to integration must not be based on will alone. Gros Espiell said that it must be based largely on technical and political actions taken after the appropriate studies have been conducted to establish a framework of equality for the distribution of costs and benefits of the process.

Cuba

Cuban Shield Described as 'Defensive Exercises'

PA0305024990 Havana International Service in Spanish 0113 GMT 3 May 90

[Report by Marianela Sanper]

[Text] Greetings my newsmagazine friends. Based on provocative maneuvers by the the U.S. Armed Forces in areas close to Cuba, and as part of our people's defense preparations, defensive exercises began on different parts of the island on 2 May.

The maneuvers, called Cuban Shield, started with a meeting of party, government, and military command staff officials in Havana. These officials discussed and issued the necessary instructions to guarantee the success of the exercises. Municipal defense councils have been activated and defense areas designated because they are the basic links in the eventuality of an all-out war.

One of the first decisions made was to prolong the assigned period for preparing the country's defenses. These events were scheduled for 20 May, and now defense preparations will also be carried out on 5 and 6 May. The excercises will include regiments' territorial militia troops and independent battalions, as well as other units and production and defense brigades. Havana residents—who less than 48 hours ago marched on the Revolution Plaza—are now getting the city ready to succeed in carrying out these exercises. In Villa Clara Province, officials also met and adopted urgent measures to ensure the territory's defense.

During the meeting, members of the Military Council called for immediate action to avoid any type of surprise in the region. The Central Army's defense structure studied given situations and probable enemy actions and issued measures to neutralize them. Among the measures taken are camouflage, security measures to avoid accidents, contingencies, and people being given priority in all defense activities.

In conclusion, instructions were issued and missions to confront any aggression in the country's interior were designated. This has been the information we have compiled from defense councils in their corresponding regions.

FAR Officer Comments

FL0305004290 Havana Radio Rebelde Network in Spanish 2306 GMT 2 May 90

[Interview with Lieutenant Colonel Antonio Alonso, deputy chief of ideologic work of the main political directorate of the Revolutionary Armed Forces, FAR, by Martha Fernandez; place not given—live]

[Text] [Fernandez] The Central Army combatants have shown all day today their combative and political preparedness in the Cuban Shield national exercise. Lt. Col. Jose Antonio Alonso, deputy chief of ideologic work of the main political directorate of the Revolutionary Armed Forces, will tell us about it.

[Alonso] I believe the Army has worked seriously and with great responsibility. It has fulfilled the missions assigned to it by the Armed Forces. We see great enthusiasm and great preparedness for the fulfillment of the tasks among the young people. We believe that this Army, that was declared ready for defense not too many months ago, is in a condition to repel any aggression by Yankee imperialism on our country. In addition, the Army is fulfilling one of the main tasks, which is camouflage, and tasks the young people should take upon themselves to obtain new successes in this complex and difficult situation we have in the country and the world.

Imperialists are euphoric. There is a complex international situation. We are experiencing exceptional times. Imperialists are opportunistic. They wanted to combine these three maneuvers as a sign of aggression against our country. Our state and our Armed Forces have stated that we begin the Cuban Shield exercise today. It is a response worthy of our entire people, of all our young people, to this Yankee imperialist threat.

[Fernandez] Lieutenant Colonel, what is your impression of the information the staff has about the country's current situation? What is your assessment of the preparedness of chiefs, officers, sergeants, and soldiers with the troops of our Central Army?

[Alonso] We have had the opportunity to talk with many young people and we have been able to notice that the youths have adequate and satisfactory information regarding the situation at this time and the reason our Armed Forces have taken measures to repel a possible attack on the country. We have also been able to confirm the preparedness of our chiefs, officers, sergeants, soldiers, and—why not?—also civilian workers for the fulfillment of this task. In sum, we are satisfied and very happy with this visit.

Rodriguez in Cyprus for South Commission Meeting

FL0205222590 Havana Radio Reloj Network in Spanish 2202 GMT 2 May 90

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, who is in Cyprus, has been received by Dr. Vasos Lyssaridhis, president of the Cypriot parliament. Carlos Rafael arrived in Nicosia on 1 May to participate in the seventh South Commission meeting presided over by Julius Nyerere.

In the meeting with Dr. Lyssaridhis, the two parties talked extensively about the South's situation under the current conditions of international changes and the need for the hemisphere to mobilize the forces to reach its historic goals.

In the afternoon, the Cuban vice president paid a courtesy visit to Nicosia's mayor Lellos Dhimitriadhis. They

toured the city's historic area. In the evening, the president of the Cypriot parliament hosted a dinner in honor of Carlos Rafael Rodriguez.

Almeida, Delegation Conclude Visit to Uganda

FL0205204890 Havana Radio Reloj Network in Spanish 1932 GMT 2 May 90

[Text] The close ties of friendship and cooperation between Cuba and Uganda have been reasserted during Cuban Vice President Juan Almeida's visit to Uganda.

During his stay in Uganda, which concluded today, Almeida, also a member of the Communist Party of Cuba Central Committee Politburo, met with Ugandan President Yoweri Museveni, to whom he delivered a message sent by our Commander in Chief Fidel Castro. Almeida also presented greetings sent by the Cuban workers to the Ugandan workers on occasion of May day.

Almeida and Cuban Vice Foreign Minister Giraldo Mazola attended a ceremony held in (Ugaz) to commemorate May day. During the ceremony, President Museveni assessed the measures adopted by the Ugandan Government to improve the Ugandan people's working conditions and standard of living.

A few hours ago, Ugandan Vice President Moses Akiondo and other Ugandan leaders saw the Cuban delegation off.

Castro Interviewed at Workers Federation Reception

FL0205122290 Havana Tele Rebelde Network in Spanish 1145 GMT 2 May 90

[Text] After the 1 May parade, our commander in chief, Fidel Castro, attended a Cuban Workers Federation reception for the foreign delegations attending the 1 May activities. The reception was held in the Cubanacan Protocol Hall. After greeting the guests and exchanging his views with them on the festivities marking International Workers Day, the commander in chief spoke with Cuban television reporters.

[Begin recording] [Reporter Gladys Rubio] Today is a special day because it is the 100th anniversary of 1 May and because today's parade was held under the pressures exerted by, under the threats of the United States. What do you think of today's parade, of the people's demonstration?

[Castro] I think the same thing everyone else thinks. I have asked many comrades and many visitors and they have told me that it was an extraordinary demonstration of great strength, great enthusiasm. Some have told me that it was one of the largest. I saw it as one of the most enthusiastic and combative parades. It reflects the spirit of the people and it is also a response to the threats of the imperialists, showing them how little they scare us with those threats and maneuvers.

We have also been mobilizing and organizing ourselves and taking the appropriate measures to prevent any surprise attack. We have taken the necessary measures. We continue taking these measures, carefully checking and closely following the steps the imperialists are taking, the things they are doing. They will not surprise us in any way. We have worked many years organizing ourselves and we can count on the results of all the efforts we have made, especially during the past 10 years. However, we must continue this. In addition, we must intensify these efforts if we want to protect everything we have done and are doing.

[Rubio] We are very strongly repelling the television aggression.

[Castro] It almost makes you want to laugh, right?

[Rubio] Right.

[Castro] I do not know what they will think of next. You saw the signs [in the 1 May parade]. There was one that was often repeated. It said: One cannot see.... [changes thought] How does it go?

[Rubio] It said: One cannot see anything. ["No se TV nada," a pun]

[Castro] One cannot see anything. [chuckles] The people joke about it now. I imagine they are irritated. I imagine they have been humiliated because of all the technology, all the things they have. However, this is just a start. We are just beginning. We have certain resources, certain means to respond to each of those escalations.

[Rubio] Then what do you think the role of the working class should be now?

[Castro] I think that the working class is making a great effort in every area. Everywhere they are building factories, dams, roads, highways, irrigation systems, agricultural installations for the production of food. They are building homes. They are doing everything. It is almost difficult to ask them to do much more than they are doing. I think they have also prepared to defend the revolution. They are taking their place in the vanguard now.

[Rubio] This also includes the students.

[Castro] I think that right away we should perfect work, organization, and efficiency. For instance, we must now finish the harvest.

[Rubio] We have encountered some delays.

[Castro] Yes, we are behind a few hundreds of thousands of tons. The late rains delayed the start of the harvest even though the previous year's drought required us to optimize the harvest. When it came time to cut the cane, there was not much to cut. We had to cut it at the right time but we got heavy rains. The rains have affected the harvest for two consecutive years, especially in the decisive months of March and April. Nevertheless, the

last six or seven days have been relatively calm. Today, 1 May, is a splendid day. We need at least two or three more weeks of this.

[Rubio] May is always a favorable month.

[Castro] We will see if May behaves itself. Anyway, the people have decided to cut the cane we need. Of course, the task is easier when we have a normal rainfall, when we do not have excessive rainfall. The weather has changed a little. It has especially affected us this year in certain areas such as the harvest, the potato harvest. We have had excessive rain. Part of the crop was planted when that hurricane came close to us. In addition to the rain, the heat also affected us. The tomato crop also suffered greatly. Those are the two crops that suffered the most. A special effort is now required to plant everything again to minimize the effects of reduced potato and tomato production.

[Rubio] Is the experience of the contingents being applied in agriculture? [Words indistinct]....

[Castro, interrupting] We are applying their experience but it is more difficult to do this in agriculture. It is very diverse. You cannot design a system of organization and wages for the entire agricultural system. You have to design it for each crop. We are applying the contingent system in the high-yield plantain industry and we are making a good effort at it. We plan to apply it in the cattle industry, agriculture [corrects himself] I mean the citrus industry, the principal crops. It will take us a while to do this. We do not want to do these things hastily. We want to test out each measure that is taken. I think that we will see results and that we will considerably improve the rational use of personnel.

One of the problems we have in agriculture is the scarcity of the work force. The people have many other opportunities for work in other areas and they leave. We will try to optimize the personnel we have in the agriculture industry. This will be accompanied by better salaries based on greater productivity and greater production per hectare. That is the work we are doing now.

I was saying that the rain and the climate has been irregular this year. Perhaps we are now beginning to experience that ecological phenomenon that so many people are talking about, the greenhouse effect. However, we will have to adapt. We will have to find varieties of crops that are more resistant to the heat. You saw that it did not rain in May and June last year.

[Rubio] We got almost no rain.

[Castro] Nevertheless, March and April were dry months. It did rain a lot in some areas. Some places got catastrophic amounts of rain.

[Rubio] It rained in winter. Winter almost did not exist.

[Castro] In an area in northern Las Tunas, more than 300 mm of rain fell. We do not even get 300 mm of rain in June!

Now I see that we have had a few clear days. The month of May requires a special effort on the part of all our workers because we must finish the harvest, plant the cane, cultivate it, and plant all the other crops. In addition, we must take care of it. The month of May, the next 30 to 40 days, require a tremendous, tremendous, tremendous [repeats himself] amount of work.

[Rubio] In addition, we must prepare for the defense of the fatherland.

[Castro] Aside from the harvest, we must fulfill all defense-related tasks but I think we are capable of doing this. I think we can do it well and we will continue to perfect our defense more each time.

[Rubio] Then to the dismay....

[Castro, interrupting] All this makes us think a lot. In addition, this is an exceptional situation. We did not have this situation 10 years ago or five years ago. We are living in an exceptional period regarding international politics, which is very dangerous for us. Nevertheless, we will multiply. We know that people have that fabulous capacity to multiply when they want to and we are capable of multiplying ourselves.

[Rubio] Then to the dismay of the Yankees, it was a good, a very good 1 May.

[Castro] I think that it was a happy 1 May for everyone, and I think that the Yankees probably did not like it very much. They do not like anything.

[Rubio] They do not like anything.

[Castro] We will continue the struggle with great enthusiasm, right?

[Rubio] Thank you very much, Commander. [end recording]

Ross Speaks at International Trade Union Meeting

FL0205173490 Havana Radio Rebelde Network in Spanish 1700 GMT 2 May 90

[Text] Members of trade unions from 35 countries and 54 world organizations that attended the 1 May festivities are currently meeting in Havana at the headquarters of the national Cuban Workers Federation [CTC].

Pedro Ross Leal, alternate member of the Politburo of the Communist Party of Cuba [PCC] and CTC secretary general, said that during the great march of the combative people on workers' day, the Cuban people demonstrated their unity and decision to defend socialism. He denounced the increasing aggressiveness of the Yankee imperialists against our fatherland and he stressed that in view of the difficult world situation, Cuba's lesson could be worth studying. Ross also called on the peoples of Latin America to integrate immediately.

The meeting is presided over by Jorge Risquet, member of the PCC Politburo and member of the Secretariat of the PCC Central committee.

Representatives of the World Federation of Trade Unions, the Permanent Congress for Latin American Workers Trade Union Unity, the National Association of U.S. Machinists, and the Central Council of Soviet Trade Unions expressed their solidarity with Cuba's struggle and agreed that unity is the only way to fight imperialism.

More on Meeting

FL0305013090 Havana Radio Rebelde Network in Spanish 2314 GMT 2 May 90

[Text] Labor union members from 35 countries and 54 organs and organizations of the entire world invited to attend the May Day festivities have held a meeting at the Cuban Workers Federation [CTC]. Pedro Ross Leal, alternate member of the Communist Party of Cuba [PCC] Politburo and secretary general of the CTC, opened the event. He noted that the meeting was taking place on May Day's 100th anniversary and reiterated that the Cuban people showed in the great parade of the combatant people its will to defend socialism at any cost. He denounced the increasing aggressivity of the Yankee imperialism against Cuba and stressed that, faced with the difficult situation in the world today, the Cuban example is worthy of being studied.

[Begin Ross recording] Every day more frigates, more warships, submarines, and all types of war equipment appear in waters near our country. The maneuvers, the so-called maneuvers the U.S. Administration is conducting, are nothing more than an act of intimidation against our country and our revolution. [end recording]

Members of the World Federation of Trade Unions, the U.S. International Machinist Association, and the All-Union Central Council of Trade Unions, expressed their solidarity with the cause the Cuban people are waging. The remarks made by Roberto Prieto, secretary general of the Permanent Congress for Latin American Workers Trade Union Unity, called the attention of those attending the meeting.

[Begin Prieto recording] Cuba is the great anti-imperialist trench in Latin America. With Cuba and its revolution, our people are putting at stake their destiny and their future. However, Cuba is a target of imperialism. Cuba is attacked. The Latin American fatherland is at risk. We should respond in line with that risk by increasing solidarity with Cuba with a strong response of the masses and mobilization of the people, with a broad alliance of all democratic and anti-imperialist forces, in a more intense popular fight. This is our responsibility and the commitment to honor our solidarity unity with Cuba; with its courageous and heroic people, that has shown it does not give in or surrender, that has said it prefers to disappear before becoming a slave again, that has given repeated evidence of its dedication to work and revolutionary duty by defending the principles of socialism and its undefeatable revolution with endless loyalty toward its chief and guide, to this faithful child of Cuba, and incarnation of the wishes and rights of our Latin American and Caribbean people, Commander Fidel Castro. [applause] [end recording]

Workers from Panama, the United States, Korea, France, Peru, Costa Rica, Venezuela, Colombia, Mexico, and Bolivia, among many others, also spoke. They all agreed that the only way to fight against Yankee imperialism is through the unity of all the peoples of Latin America and the world .

Jorge Risquet, member of the PCC Central Committee Politburo and Secretariat, was present at the meeting.

Dominican Republic

Foreign Minister Deplores Campaign Violence

FL0205181190 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 2 May 90

[Text] The foreign minister of the Republic and leaders of the various parties that will participate in the elections on 16 May, have deplored the bloody acts that have occurred in recent days and believe that this may mar the civic event. The violent acts that have taken place in recent days during the election campaign have caused the death of Tulio Terrero Pena, Ramon Hidalgo Cabrera, and Mario Morra Fernandez; and dozens of wounded. Foreign Minister Joaquin Ricardo described as deplorable the violent acts in this campaign which have left two dead and several wounded by gunshots. Among the other leaders who have made statements against these events are Hipolito Mejia, (Toni Raful), (Franco Ortin Diaz), and Jose Rafael Abinader.

PRSC Leader on Dominican Investments in Cuba

FL0205175690 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 2 May 90

[Text] Senator Jacinto Penado has stated that he is a proponent of having Dominican businessmen invest in Havana, Cuba, without regard to the ideological nature of the current rulers of that Caribbean nation. The businessman and Social Christian Reformist Party [PRSC] leader was referring to statements made by former Cuban Commander Hubert Matos that some Dominican businessmen were making investments of millions [currency not specified], thus supporting the communist regime of Fidel Castro.

Speaking on the television program "Sondeo," [Survey] which is broadcast on a local channel, the PRSC candidate to the Senate for the governing party in the National District said that he believes it is a positive thing for any

Dominican businessman to decide to make financial investments in Cuba, because this will help that nation gain democracy.

Haiti

Fourth Provisional Electoral Council Sworn In

FL0205193790 Port-au-Prince Radio Metropole in French 1600 GMT 2 May 90

[Report from the Port-au-Prince Law Courts]

[Excerpts] [passage omitted] A fourth version of the CEP [Provisional Electoral Council] was sworn in a few moments ago at the Court of Cassation, located at the Law Courts. There were only eight because Ernst Mirville, representative of the Haitian Journalists Association, has not yet returned to Haiti. He is still in Miami. [passage omitted]

In his speech, Court of Cassation President Gilbert Austin critically reviewed the first three versions of the CEP. He felt that the members of the first had set themselves up as a veritable government, excluding all dialogue with the executive. He felt the members of the second CEP had been too dependent on the National Government Council headed by Henri Namphy. Austin felt the members of the third version of the CEP tried to drag the electoral process out to benefit from the material advantages of being on the CEP—to echo his statements.

The speech that perhaps most surprised the audience was the extremely moving speech by Emmanuel Ambroise, a former member of the first CEP. Ambroise mostly recounted what had occurred on 29 November 1987. Ambroise called on the children who had strayed, whom he thinks perpetrated the 29 November killings, to reflect and get a grip on themselves and renounce criminality.

Ambroise also paid particular homage to Ertha Pascal Trouillot's government for having reinstated the first version of the CEP, which according to him constitutes an act of reparation toward the victims of 29 November 1987. He asked for the support of all defenders of freedom to enable CEP members to successfully carry out the mission entrusted to them: the holding of elections in Haiti. Emmanuel Ambroise feels we are setting off once again to peacefully conquer freedom and democracy. [passage omitted]

We must also point out that the members of the newly sworn in CEP now intend to go to Vaillant Street, perhaps to lay wreaths in memory of the victims, the voters who died on 29 November 1987 during the aborted elections.

This is Mobile Unit 20, for Radio Metropole.

Two Canadian OAS Election Experts Arrive

FL0205173990 Port-au-Prince Radio Nationale in Creole 1300 GMT 2 May 90

[Excerpt] Two foreign OAS election organization experts arrived in Haiti yesterday on Air Canada flight 856. They are Pierre F. (Cote), director of electoral operations of Quebec, Canada; and Jacques (Girard), assistant director of the litigation department and directorate of electoral operations of Quebec, Canada. While in Haiti, these two experts will meet with Haitian authorities, representatives of sectors involved in elections, and the members of the newly formed Provisional Electoral Council.

During an interview he granted us at the airport, (Cote) told us that he is the personal representative of OAS secretary Joao Baena Soares and that his mission is to evaluate the required aid that the OAS can provide Haiti on the occasion of the coming elections.

In answer to the suggestion by a UN committee declaring that it is possible to hold, in Haiti, the same kind of elections that were recently held in Nicaragua, (Cote) said that no, we cannot take a system used in one country and try to apply it in another; because each country has its own mores, culture, tradition, and requirements. [passage omitted]

Correction to CEP Member Reveals Corruption

FL0205172590

The following correction pertains to the item headlined "CEP Member Ambroise Reveals Regala Corruption," published in the 1 May Latin America DAILY REPORT, page 9:

Column two, paragraph three, from sentence one, make read: L'UNION: Regarding the vigilance brigades... [adding speaker identification]

Column two, paragraph four, from sentence one, make read: Ambroise: I knew that Regala himself... [adding speaker identification]

El Salvador

Rebels Attack Capital, Cristiani's Residence

Attacks Cause Blackouts

PA0205135090 Paris AFP in Spanish 0552 GMT 2 May 90

[Text] San Salvador, 1 May (AFP)—Salvadoran guerrilla groups launched attacks on several points of the Salvadoran capital tonight causing blackouts, an undetermined number of dead, and panic among the citizenry.

Military spokesmen reported that the guerrilla attacks began at 2130 and were aimed at the Public Security Forces' academy, located in the southern sector of the capital, and military positions in the wealthy Escalon neighborhood, where the Sheraton Hotel is located.

A heavy barrage of rifle fire and explosions were heard for approximately one hour in the San Ramon area, located in the northwestern sector of San Salvador, while one Air Force helicopter overflew the city.

There were also reports of attacks on a military post at the Central Electoral Council and other positions on the northwestern outskirts of the capital.

Simultaneously, urban guerrilla commandos attacked the civil defense group in the Costa Rican neighborhood of southern San Salvador.

Several electric poles were brought down in various sectors of the city, causing blackouts over large areas.

There are still no official reports on the number of dead and wounded.

Early this morning, guerrilla columns attacked the 1st Infantry Brigade's positions in Mariona, located on the northern outskirts of San Salvador, killing one soldier and wounding another.

Cristiani Unharmed in Attack

PA0205140190 Mexico City NOTIMEX in Spanish 1328 GMT 2 May 90

[Text] San Salvador, 2 May (NOTIMEX)—The Armed Forces have reported that a group of rebels belonging to the Farabundo Marti National Liberation Front (FMLN) this morning staged an armed attack on the residence of Salvadoran President Alfredo Cristiani.

The president was unharmed, but two policemen were killed and an Army captain was wounded in the confrontation, which took place in the exclusive Escalon neighborhood in the northwestern part of the Salvadoran capital, according to military spokesman Mauricio Chavez Caceres.

18 Casualties Reported

PA0205151590 Panama City ACAN in Spanish 1439 GMT 2 May 90

[Text] San Salvador, 2 May (ACAN-EFE)—At least 18 casualties, both soldiers and civilians, resulted from several guerrilla attacks on the president's residence, the Central Electoral Council, and other military installations in San Salvador and several departments throughout the country.

The Armed Forces Press Committee (Coprefa) reported that four Army members, including two officers, were killed and six soldiers were wounded in clashes in the Escalon neighborhood in northern San Salvador.

The two dead officers were identified as Captain Jose Alfonso Chavez and Lieutenant Bolanos of the Treasury Police. A Treasury Police member was killed in a rebel attack in San Miguel, the country's third largest city, early this morning.

The attacks began at 2100 (0300 GMT) on 1 May and continued after midnight, alarming citizens in San Salvador and causing blackouts.

The Salvadoran Red Cross reported that eight minors were wounded in two clashes between guerrilla forces and soldiers in Ilobasco, Cabanas Department, and Usulutan, located in the southeast area of the country.

Military spokesmen said that the guerrilla forces attacked the presidential residence, the Sheraton Hotel's security corps, Public Works Minister Mauricio Stubig's residence, and the Central Electoral Council.

The Coprefa reported that there was property damage but no casualties in these places.

Military reports added that a civil defense member was wounded in a rebel harassment of the civil defense group in the town of Yucuayquin, eastern Morazan Department.

According to the military sources, the towns of Jocoro and Guadalupe were also attacked by the rebels, but there were no casualties reported in these attacks.

Rebels Still Want Dialogue

PA0205170490 Panama City ACAN in Spanish 1640 GMT 2 May 90

[Text] San Salvador, 2 May (ACAN-EFE)—The Salvadoran guerrillas today reiterated their willingness to continue the dialogue with the government in the wake of a series of attacks launched early this morning against the presidential residence and military positions in the capital and six of the country's departments, which caused over 30 casualties.

The General Command of the Farabundo Marti National Liberation Front (FMLN) indicated that the attacks are in response to the "boastful and arrogant" attitude of the "Salvadoran Government and Armed

Forces because of their belief in an alleged weakness of the guerrillas, which hinders the negotiating process."

"We reiterate our willingness to continue the negotiating process," the FMLN said in a communique released in San Salvador today. The communique states that the rebel proposal has already been presented to the government, "and we are awaiting its response to finalize arrangements for the negotiations to begin."

FMLN Communique on Attacks

PA0205221390 San Salvador Radio Cadena Sonora 1553 GMT 2 May 90

[Communique issued by the General Command of the Farabundo Marti National Liberation Front, FMLN, in Mexico City; "faxed to Radio Cadena Sonora" on 2 May]

[Text] Communique issued by the General Command of the FMLN: We announce that between the night of 1 May and the early morning of 2 May, our forces conducted several military operations in San Salvador and other cities of the country in response to:

1. The prevailing total impunity of members of the Armed Forces in violating human rights, as demonstrated by the standstill reached in the trial, the evident cover up of the masterminds of the assassination of the Jesuit priests, the release of the group of kidnappers, and the recent murder of a university professor and a cooperative leader.

2. The military offensive launched by the Armed Forces in rural areas with indiscriminate bombings and arrests of civilians.

3. The arrogant and boastful attitude of the government and the military because of an alleged weakness shown by the FMLN, which obstructs the negotiation process.

4. The unpopular economic measures and the plans to carry out the biggest economic fraud and act of corruption in our country's history with the privatization of banks.

We believe that:

1. The congressional plan of the U.S. to cut only 50 percent of the military assistance to the government is not enough. Any assistance to terrorist Armed Forces only contributes to war and reduces the possibility for a short-term cease-fire agreement.

2. As long as there are no guarantees for the entire society, as long as crimes committed by the military go unpunished, and as long as repression does not stop, war will continue.

Finally, we reiterate our willingness to continue the negotiation process. Consequently, we have already presented our positions to the government and are awaiting its reply so that we can start holding the negotiations. [Signed] General Command of the FMLN

El Salvador, 2 May 1990

Government-FMLN Talks 'Postponed Indefinitely'

PA0305043490 Mexico City NOTIMEX in Spanish 0225 GMT 3 May 90

[Text] Mexico City, 2 May (NOTIMEX)—The resumption of talks between the Farabundo Marti National Liberation Front (FMLN) and the Salvadoran Government has been postponed indefinitely, Rafael Meza Delgado, Salvadoran ambassador to Mexico, announced today.

He added that, unofficially, it was anticipated that the talks would be resumed on Thursday, 3 May, in Caracas, Venezuela, but the meeting was suspended "for reasons unknown to us, because the negotiations are private."

The Salvadoran Government wants the dialogue to be resumed as soon as possible because the securing of peace, which is fundamental for the economic development of El Salvador, depends on the dialogue, the ambassador explained.

Meza Delgado reported that Salvadoran political party representatives may possibly meet with an FMLN mission in Mexico on 5 May to try to persuade the FMLN to agree to resume negotiations with the Salvadoran Government as soon as possible.

For its part, FMLN sources in Mexico stated that there was never any agreement between the guerrillas and the government to meet on 3 May, but that this had been a unilateral decision of President Alfredo Cristiani.

The sources confirmed the possible holding of the FMLN meeting with the parties on Saturday, but said that this meeting is not a sure thing.

The FMLN mission in Mexico said that the Salvadoran guerrillas delivered a peace proposal to Alvaro de Soto, representative of UN Secretary General Javier Perez de Cuellar. The United Nations confirmed this report, indicating that a preparatory, private meeting that is currently being held in Mexico is aimed at resuming the dialogue between the FMLN and the Salvadoran Government.

Colonel Ochoa on Armed Forces' Statement

PA0305034990 San Salvador Radio Cadena YSKL in Spanish 1851 GMT 2 May 90

[Text] We now have Colonel Sigifredo Ochoa Perez on the telephone. The Armed Forces, particularly the commanders of the various Army branches and garrisons who were convened by the defense minister, made a statement against this officer, who is a deputy and the current CEL [Lempa River Hydroelectric Executive Commission] president, after he demanded justice in the case of the assassinated Jesuit priests. We will now listen to Col Ochoa, who will make known his stand since the Armed Forces' statement was released.

[Begin recording] [Reporter] Good morning, Colonel.

[Ochoa] Good morning. Thanks, Raul. These gentlemen seem to be speaking in the name of the entire Armed Forces. I know what was discussed in the meeting. Someone even said that the bright idea of discharging me was considered. They failed to take into account, however, that I am a deputy and that, as a deputy and a citizen, I am entitled to express what I feel, just as I have done. I owe everything to the Armed Forces; I fought beside the soldiers as Monterrosa, Carlitos, and very few others did. I never got rich while in the Armed Forces, as some of the commanders did, although not all of them, of course. This undoubtedly has irritated them.

I have simply expressed my viewpoint as a soldier concerned about the Armed Forces' situation. I never mentioned any names. I simply demanded justice because, even according to military theory, I cannot conceive that such an important decision could have been made by a single person. I still think this is a plot by some members of the institution, not by the Armed Forces as such. I only have respect and love for the Armed Forces. I am concerned over the delicate situation to which the institution could be led because of the actions of some nefarious members. I have great respect for the officers in the field, who fight every day. Of course, I must criticize those who have profited from the institution and who today have raised the roof, as if I were the one to blame and as if I were undermining the institutionality of the state. Quite the opposite is true. My criticism is positive and intends to encourage a deeper investigation and exhaust all resources in this direction. I would like them to stop making ridiculous demands and to stop seeking a confrontation. It is known that what I am demanding is what is being felt and said. I am not accusing anyone in particular. I am only demanding justice. Commanders' meetings should not be held to make such a statement. They should have instead shown their concern for the Armed Forces' situation. I would have been very interested in seeing them take the stand to continue the investigation of the last consequences. As the military man I am, I only assessed the situation. I never mentioned any names, but insisted that a deeper inquiry should be made to carry out justice, because otherwise it is the institution that will suffer.

[Reporter] Col. Ochoa, after the "60 Minutes" program on CBS in the United States, it seems that in this capital and in the country your remarks and your interpretation of the Jesuits' case were distorted. Today there has been an attempt to accuse you. It has been said that the cut in U.S. aid to the Salvadoran Armed Forces is the result of your remarks, rather than of the slowness in the investigation of the Jeusit priests' case. Do you think there has been ill intent in this, or that there has been an attempt to take advantage of you to try to justify an action?

[Ochoa] I think so. There has been an attempt to blame me, as if I could influence the decision-making of the U.S. Congress. A reduction in military aid to El Salvador has been under consideration for months because the expected results have not been obtained. I think it is ridiculous and childish to say that the aid will be cut as the result of my remarks. The truth is that all crimes with which some Armed Forces' members have jeopardized the institution should be punished. My understanding is that solidarity should exist in the context of operations and the fulfillment of the Armed Forces' constitutional mission. However, those who harm the institution should not be protected.

I think some are trying to take advantage of the situation, as if to say: Col. Ochoa has endangered the Armed Forces. What has endangered the institution is the murder of the Jesuits and the San Sebastian people. I canot agree with the perpetration of outrages. One thing is to fight fairly with the enemy. There are dead in every war. I said this very clearly when I was 4th Infantry Brigade commander in Cabanas. I agreed with the penetration into the population to help them. I am satisfied with my passage through the Armed Forces as a commander, because I identified both with my men and the civilian population. At no time did I take advantage of the institution to acquire illegal riches. To point these things out is not to attack the Armed Forces. Quite the contrary, it is because I love it that I have criticized the negative members. The Armed Forces can thus be spared greater damage by the poor actions of some of its members.

[Reporter] Colonel, in the past few hours we have heard reports that you are to be supported by the Army's younger officers and some unions, even the CEL union. What can you tell us about this situation?

[Ochoa] Regarding the Armed Forces, I would not like to express an opinion, because I have not yet been discharged. I said something with the best of intentions. If there is anything I love, it is the Armed Forces, because I owe myself to them. I am grieved at seeing the negative actions of some of its members. It would be good to establish who are to blame for this situation that the country has been led into, instead of trying to find a scapegoat by saying I am to blame for the cut in U.S. aid. This cut has been demanded in the United States for a long time, ever since the nuns' affair.

I understand the Armed Forces' role, and I understand that there are bound to be dead bodies when there is fighting. I repeat, however, that it is one thing to take a man's life in combat and quite another to kill him in cold blood. I think no man in uniform can take such an action and think he is right.

I know which commanders made the statement and what they said. Some of the commanders are trying to intimidate others by asserting their power and blackmailing. I am not afraid of what might happen. Some have said the president should be asked to remove me. As I said before, it has even been foolishly suggested that I be discharged from the Army. Those making these suggestions have not stopped to think that I am also a deputy.

When the situation merits, I will leave to fight under people who deserve to be given the privilege of leading the Armed Forces.

In addition, I have expressed my views at CEL and six other groups of workers. I have always been criticized for being close to the people. I have been accused of politicking and favoring the leftists, although all know that I am an anti-communist and have fought against the FMLN, which is a fearful enemy. We should unite to reach a solution, not through military actions, but through negotiations, a frank dialogue, and votes. I can tell you something, however. I am happy with my work here at CEL. I am a deputy. The president has the last word regarding my staying at CEL. He and I have talked. To tell the truth, I did not expect the Armed Forces, rather some commanders, to take this stand, which will harm those who have expressed an opinion. I will meet this morning with the association of CEL workers, as scheduled. In this meeting, they will express their opinions. [end recording]

Guatemala

President Cerezo Denies Rumors of Coup Attempt

PA0205234190 Panama City ACAN in Spanish 2244 GMT 2 May 90

[Text] Guatemala City, 2 May (ACAN-EFE)—Guatemalan President Vinicio Cerezo today denied an attempted coup d'etat. He asked the people to remain calm and warned them that inasmuch as this is an election year, there will be many rumors to create instability.

"We were the first to be surprised at the alleged coup attempt, as we received several calls about what was happening," Cerezo told the press at the Government Palace.

The Christian Democratic ruler pointed out that in the country there are groups interested in promoting destabilization this year to put blame on the government and promote the opposition's candidates.

Rumors circulated today within congressional political circles that there had been a "technical coup" [golpe tecnico] against Cerezo, and that Vice President Roberto Carpio Nicolle had taken over the Presidency.

The Guatemalan vice president is a brother of Jorge Carpio Nicolle, the presidential candidate of the main opposition political force, the Union of the National Center (UCN).

If Roberto Carpio Nicolle was the president of Guatemala, his brother Jorge could not run for president, as the Constitution prohibits a president's next of kin from being presidential candidates.

Mario Sierra, spokesman for the Vice Presidency, said that "everything is calm. The vice president will travel to Costa Rica tomorrow to dedicate a seminar on microenterprise; President Cerezo will travel on 8 May to attend the Costa Rican presidential inauguration."

Workers Union Official Criticizes Budget

PA0205004590 Guatemala City PRENSA LIBRE in Spanish 28 Apr 90 p 22

[Text] Manuel Meneses Quevedo, secretary general of the Finance Workers Union (Sintrafi), remarked yesterday that the government is preparing to lay off 22,000 state workers and will eliminate the activities of several government offices, but has not eliminated the various allocations for the Presidency of the Republic, which total 225 million quetzals.

Meneses said that, according to some recent statements by Finance Minister Francisco Pinto Casasola, the government is having difficulty repaying the foreign debt, but that, as part of the emergency austerity program, it is planning to dismiss over 22,000 employees from various offices.

He added that, according to Minister Pinto, the government is planning to close the national lottery because it is losing money because of competition from another lottery. He underscored that other offices and autonomus enterprises, such as Fegua [Guatemalan National Railways, Inc.], Flomerca [Greater Central American Merchant Fleet], Indeca [National Institute of Agricultural Marketing], Inacop [not further identified], and others, will be closed in the next few months.

Meneses noted that what is most reprehensible about these measures is that President Cerezo has opted to affect various government offices, but has refused to cut a single cent from the funds allocated to the presidency of the republic.

He noted that a recent report by the CACIF [Coordinating Committee of Farming, Industrial and Financial Associations] stated that the presidency has a budget of 225 million quetzales, with an additional appropriation of over 70 million quetzals for secret expenses, and nobody knows how this has been used. In addition, the union leader criticized the recent economic measures and said they are bleeding Guatemala's poorer sectors dry.

Honduras

* Callejas on Effects of Economic Program

90CA0020A Tegucigalpa EL HERALDO in Spanish 2 Apr 90 p 31

[Article by Francis Bojorque; first paragraph is introduction]

[Text] Choluteca. During the weekend President Rafael Leonardo Callejas opened the 49th National Convention of Fenagh [National Federation of Farmers and Cattlemen of Honduras] here. A number of national organizations involved in these activities are taking part in this convention.

Callejas Romero came to Choluteca, where he had been invited by the National Federation of Farmers and Cattlemen of Honduras, to address their concerns about the national program which the government is to carry out for the agricultural and livestock sector.

The chief executive opened his speech by expressing thanks for the invitation to speak to the convention, saying that he had come to give all of them who are participants in the nation's economic activity some ideas on the political context of the government's position in terms of the national agricultural and livestock sector.

According to the president, we can not view the national orientation toward the future in agriculture simply in terms of time periods; instead, it should be viewed as an integral part and foundation of the economy and social tranquility of Honduras.

Distressing Production Statistics

"Decisions in this area have such a long term effect, for the right decision today means that agriculture will be healthy tomorrow; and the wrong decision today means high costs in economic and political terms that will have regressive effects on Honduran agriculture. All of us here know the background that has in different ways caused a really unacceptable decline in agricultural production in Honduras."

In his speech, the president said that in fundamental areas such as bananas, since 1972 there has been no quantitative increase in our exports and that the statistics are distressing. In 1972 Honduras exported 42 million crates of bananas and Colombia exported 16 million; in 1989, Honduras exported approximately 50 million crates, an increase of 8 to 10 million boxes over this 16-year period, while Colombia is about to reach banana exports of 75 million crates. In economic terms, this means that 30,000 permanent jobs are generated, as well as foreign currency earnings equivalent to $300 million a year from this type of product.

In relation to the preceding comparison, the president stated that there lies the heart of the policies we need to develop for the future, for if we do not comprehend that the basic point of a productive sector is for the farmer and the cattleman to earn money, then we are never going to have an agriculture that will be able to feed our people and to generate the foreign currency we need for our development.

Callejas Romero's position is that we need a debate conducted in consonance with the interests of the cattlemen and farmers and not with the government's interests, for there is one aspect which is critical in the government, and it is that they have an undeveloped fiscal mentality.

"We have put restraints on the producers, as if the government were wise and had all the answers, while the opposite is true. During the past 10 years, we have wasted 5 billion lempiras in bureaucratic red tape in the public sector, and we have not been able to feed the Honduran people."

"That," continued Callejas, "is an antisocial aberration, and we can not continue to pursue this course; the producers should be getting the money, and not the government; the government should handle actions of a social nature, and you should be included in economic decisions related to production."

The president pointed out that with those 5 million lempiras, in 10 years in the agricultural sector there could have been flood control in the Sula Valley, the Choluteca River Irrigation Project, and the paving of some rural access roads.

"Was it really worthwhile," asked the chief executive, "to spend 5 billion lempiras on agricultural technology when we have reduced our levels of corn production by 30 percent, when our level of bean production and productivity are down by over 30 percent, when there is no cotton in the south, when we, the farmers and cattlemen, have subsidized the rest of society, when all of the agricultural sectors have been subsidizing the rest of society, reversing roles and leaving everything up to the state? Logically, those mistakes must be corrected."

The structural economic reorganization law proposes positions for the future, for we have been living in a state of unreality, said the chief executive. "We have lived in a false economy, we have tried to hide the real state of affairs, and attempted to generate access to foreign currency which does not exist in this government at this time, for we have been rated as a poor credit risk throughout the entire world because of our negative net reserve of $150 million with the fiscal and trade deficit we have in the balance of payments."

"Correcting those mistakes," added Callejas Romero in his speech, "will little by little lead society to reality. This is going to have a high cost, which will be reflected in prices, because when we talk of an exchange rate above 4 lempiras, that has an effect."

Prices Are Not Going to Come Down Soon

Callejas Romero recognized that making decisions based on the present situation is difficult, no one likes it, but that an economic adjustment in prices is appropriate so that prices will not be deceptive but realistic, because inflation in prices is not going to be reduced to less than 20 to 15 percent in 1990, but rather in approximately 2 years.

"I don't want to deceive the Honduran people or the producers, or any other sectors with a reorganization program of this nature, by saying that tomorrow there will be permanent price stability; I would be betraying my commitment of openness and sincerity; it is going to be a very hard year, and we must handle it as best we can, so that we can bring about better conditions. For that reason we are going to make emergency decisions in my basic grains program."

The chief executive was quite definite in stating that we are in a state of bankruptcy, and that we must move away from this state paternalism in order to construct development alternatives based directly on the productive sectors, and we must attempt to make decisions in the credit sector so that we can structure the banking sector with a second-tier system and set up seven rural credit unions so that the producers can understand and make their own credit decisions within their areas of influence.

"It isn't going to be simple, but from the economic point of view we are going to reduce the fiscal deficit this year. I have faith that we will bring this deficit down, so that it will not exceed 5 percent of the Gross Domestic Product. This will mean an enormous adjustment of almost 7 percent in the domestic product, and I have confidence that the public sector debt with the state bank can be reduced to no more than 60 million lempiras of internal debt in 1990."

Because, reflected Calljeas, "we have been getting accustomed to a growing public sector debt of 500, 600, 700 and even 800 million, and the Honduran people and producers are paying for the costs of these fiscal errors through their impoverishment. This has to be corrected."

We Will Keep Tight Reins on the Government

The chief executive said that we will keep very tight reins on the government. We will cut the budget by 8 percent. We are not going to contract further debts with the central bank, and we are going to force the government and the autonomous institutions to acquire their goods and services not with special currency, but on the same basis as all the productive sectors.

"If the structural reorganization law can be said to have one goal, it is that no one can be given special favors, for that leads to contradictions and such benefits create corruption and immorality. In the mid-term, this economic adjustment should provide effective relief for the people," he said.

Concerning the agrarian program, President Callejas said that, acting in conjunction with the director of the INA [National Agrarian Institute], he is working out a plan of a human and social nature, rather than simply an economic nature, to strengthen the peasant sectors in terms of legal ownership of the land. This reform is vital for social, economic, and political stability.

Finally, the president spoke of the projects which his government will carry out in agriculture. "I can't neglect to mention some of the projects we have in the south. The first, which we will be signing in Rome, will be the Nacaome Irrigation Project."

"In the meantime, there is the Cho!uteca River Basin Project, which is a dream for all of us. Yesterday it was supposed to cost 90 million and today, 600 million. These figures are beyond the government's capacity to handle. In the long term, we will give priority to this project."

"In the same way, the Sula Valley Flood Control Project will be another priority; its cost will be 1 billion. But we think that the government is not going to have a public debt exceeding 60-70 million during our term in office, since during the past 5 years we have been releasing public investment," he explained.

Nicaragua

Unions To Announce Salary Adjustment Proposals

PA0305014790 Managua Radio Sandino in Spanish 1200 GMT 30 Apr 90

[Text] Following the latest devaluation of the cordoba, the various unions have announced that they will propose salary adjustments of up to 100 percent. The General Confederation of State Workers will demand from the Presidency the approval of salary readjustments and job reclassifications for more than 36,000 state employees.

Confederation leader Jose Angel Bermudez said that the government's economic measures cut back the worker's purchasing power by 50 percent, and, for that reason, the minimum wage requested could be approximately 15 million cordobas.

Edgardo Garcia [Sandinist Assembly member] said that they will immediately propose that a new wage scale be discussed based on the prices of eight basic products. He said they are currently studying the costs of these products.

Luis Barbosa, leader of the construction worker's union, said that as of today they will search for a way to negotiate a 100-percent wage adjustment that will benefit the approximately 18,000 workers of that sector, and added that even though they recently negotiated new salaries, their salaries are now worthless in light of the new price increases.

Panama

'Training Exercise' at Presidential Palace

PA0205153690 Panama City LA ESTRELLA DE PANAMA in Spanish 2 May 90 pp 1, A-2

[Text] Armed civilians last night carried out what they called a "training exercise" in the area surrounding the presidential palace. However, the operation caught the attention of some people and all sorts of rumors began to spread throughout the city.

The civilians, carrying weapons of various calibers, patrolled the area in front of the presidential palace. The patrol action included Independence Square and the Metropolitan Cathedral.

The action—unusual because of the highly visible weapons, something that the present government has always opposed—gave the impression of a military action, and the reason for it was not explained. The situation appeared somewhat mysterious in light of the fact that President Guillermo Endara Galimany is not in Panama.

Other sources reported that the armed men, who identified themselves as "friends of President Endara," mobilized because of rumors of a coup d'etat with the president out of the country. The action in this case was to protect the presidential palace and protect the president's interests.

The president was in New York last night, and he is expected to return to Panama on Thursday.

'Accidental' Death Reported

PA0205181590 Panama City Circuito RPC Radio in Spanish 173015 GMT 2 May 90

[Text] A few minutes ago Presidency Minister Julio Harris made a statement for Circuito RPC Radio. In his statement, Minister Harris reported that a death occurred last night at the presidential palace. It was an accidental death. A Guaymi Indian, identified as Jose Sebastian Cubilla Quiroz, was accidentally killed during an exercise carried out by the presidential palace security guards.

[Begin Harris recording] I wish to state that at no time have we at the presidential palace or at any other government institution been worried about a coup d'etat. The country is calm and investigations continue. I wish to clarify that the presidential palace's security guards took advantage of the fact that the president of the Republic is currently in the United States—as a matter of fact he has achieved a great victory because he and his delegation were able to overcome the standstill the financial aid project had fallen into and, as you know, $420 million in aid has been approved—and since it was a holiday, the security guards felt the time was right to carry out a series of training exercises. Yesterday they also accepted applications for jobs from persons who want to become members of the presidential palace's security guard. This was a normal exercise, but because of the time of day they were held, the rumors spread. These were nothing more than mere rumors.

I would also like to take this opportunity to express regret over an unfortunate accident at the presidential palace. A young man who worked here at the presidential palace lost his life during this unfortunate accident. The young man's name was Jose Sebastian Cubilla. The president loved this young man very much. The president has been advised of this unfortunate accident. It will be up to the Attorney General's Office to look into this accident and investigate. As far as I am concerned, his death was an unfortunate accident. As soon as the president returns from his trip, he will attend the young man's funeral. He was loved and admired by many of us. [end recording]

Listeners, this was Minister Julio Harris confirming to Circuito RPC Radio that an accidental death occurred during last night's exercises at the presidential palace. The dead man has been identified as Jose Sebastian Cubilla, a Guaymi Indian whom President Endara befriended when Endara sought asylum at the Apostolic Nunciature. When he became president, he called Cubilla to give him a job. President Endara is also Cubilla's godfather. Jose Sebastian Cubilla, identification card No. 4-155-1255, died last night at the presidential palace. This has been confirmed by Minister Julio Harris.

Arias Calderon on Coup Rumors, Child Murder Case

PA0205162690 Panama City Circuito RPC Radio in Spanish 1410 GMT 2 May 90

[Telephone interview with First Vice President Ricardo Arias Calderon by unidentified reporter in Panama City—live]

[Text] [Reporter] Dr. Arias Calderon, many rumors regarding a coup d'etat are circulating in Panama due to the increased surveillance noted in the vicinity of the presidential palace. Rumor has it that the increased surveillance may be the result of statements in David [Chiriqui Province] by Special Prosecutor Rodrigo Miranda. I would like you to explain to RPC's listeners and other listeners throughout the country what the current situation is.

[Arias Calderon] The country's current public order situation is one of perfect calm and tranquillity. There has not been any attempted coup d'etat. Rumors of unknown origins circulated last night, but they were far from being true.

I spoke yesterday and early this morning with President Endara, who has kept me abreast of developments on his very successful visit to the United States, especially following the U.S. Senate's definitive approval of aid for Panama. I also spoke with Vice President Ford yesterday, and I can assure all who are listening to this program that the country is in perfect constitutional order and in perfect tranquility.

I repeat: Last night's reports were rumors of unknown origins, and they were not in the least factual.

[Reporter] Last evening Special Prosecutor Rodrigo Miranda once again made statements regarding the murder of the youngster Melquiades Rodriguez Justines, and once again he reiterated his accusations against the director of the Technical Judicial Police. Miranda also suggested that you should resign. What is your reaction to these statements?

[Arias Calderon] My position concerning the information that Prosecutor Miranda claims to have is well known. Any

person who has information concerning the Rodriguez Justines murder should immediately inform the attorney general, who is in charge of the investigation. The people can rest assured that any person on whom we receive reliable information regarding his involvement in that crime will be duly investigated. There will be no special leniency of any sort for anyone, regardless of his position. Our only concern should be to find the truth in every case involving Panamanian justice.

Comments on Prosecutor's Remarks

PA0305012890 Panama City Circuito RPC Television in Spanish 1736 GMT 30 Apr 90

[Statement by Ricardo Arias Calderon, vice president and government and justice minister, in Panama City on 30 April—recorded; broadcast in progress]

[Text] [Arias] ...Special Prosecutor Rodrigo Miranda's statements, which the media published yesterday, on 29 April, are so irresponsible that they border on the criminal. If he has any information that anyone, either civilian or military and regardless of who it may be, is involved in the horrendous murder of the boy Marcos Rodriguez Justines, his duty as a citizen and, what is more, his duty as a member of the public prosecutor's office, is to immediately provide that information to the attorney general and the assistant district attorney, who are the persons investigating the case. He has yet to do this, so one seriously wonders: If he has the information and he does not provide it to the public prosecutor's office, does it mean that he is an accessory after the fact? If he does not have the information and he has issued these serious charges, does it mean that he is guilty of false testimony?

His goal is to divide the government's political alliance and, consequently, undermine the democratic government of national reconciliation and reconstruction. I must honestly say that, in my opinion, he has abused his post, and I think that the only thing he can do is to resign, if he has any self-respect left. He has shown an irresponsibility in the exercise of his post that borders on the criminal. He has failed to fulfill his duty of providing information, which he claims he has, to the public prosecutor's office. He has opted for the road of political action, which is forbidden to members of the judicial branch and the public prosecutor's office. And he has issued statements that show an incredible lack of respect toward the president of the republic and the minister of government and justice.

Comments on Discord in Alliance

PA0305004390 Panama City Circuito RPC Television in Spanish 2333 GMT 2 May 90

[Interview with Ricardo Arias Calderon, first vice president and minister of government and justice, by unidentified reporter in Panama City on 2 May—recorded]

[Text] [Arias Calderon] Regardless of the coup rumors, the truth is quite different. There is no disruption in the constitutional institutions of democracy, and there has not been any significant disruption of public order throughout the country.

Those of us who are participating in the administration of President Endara have been very busy all day today working in our specific tasks. I have conversed with Vice President Ford, and I have conversed with President Endara. Among other things, we have been busy congratulating the president on his successful trip to the United States and on the new hopes that this success brings all of us; that is, that the economic reconstruction of the nation will be carried out at a better and firmer pace.

[Reporter] This rules out the criticism to the effect there are some disagreements between the existing political parties.

[Arias Calderon] There is what one finds in any alliance in a democracy. There is a need to discuss, to hold dialogues, and to coordinate. That is as true here in Panama as it is in any democratic country where an alliance is ruling.

However, deep down, we are solidly united to consolidate Panamanian democracy, to promote an economic reconstruction project that will offer hopes for employment for our people, and to offer the country a new Public Force and the security that human rights will be respected. That solid unity is the most important issue.

[Reporter] What can you tell us about the person who was found shot to death near the Presidency yesterday?

[Arias Calderon] That is a truly sad case, because Jose Sebastian Cubilla was very close to the president. We all knew him, and he was our friend. Everything seems to indicate that it was a regrettable accident. It is now being investigated by the Attorney General's Office of the Republic.

[Reporter] Who do you blame for this?

[Arias Calderon] No one. It is up to the Attorney General's Office to determine all the details having to do with this case.

Special Prosecutor Miranda on Loaiza Involvement

PA0305020590 Panama City Telemetro Television in Spanish 2304 GMT 2 May 90

[Text] The search for a treasure held by Former Colonel Marcos Justines led to the kidnapping and assassination of the boy Marcos Rodriguez Justines, according to special prosecutor Rodrigo Miranda Morales.

[Begin recording] [Miranda] Col. Justines had a treasure in his hands. Let us call it a treasure. He had $80 million. According to the agents who gave me the information, the $80 million consisted of $47 million that Justines got from the vaults of the National Bank of Panama on the day of the invasion, and the rest is drug trafficking money. This money was to be distributed among the top

pro-Noriega military chiefs. The person in charge of guarding the treasure was Guadalupe Justines. Guadalupe, who is separated from her husband, is in love with Giancarlo Gronchi. Giancarlo is the son of Giancarlo Gronchi Talini, the owner of Tauro Tannery and a very close friend and associate of General Manuel Antonio Noriega.

Giancarlo Gronchi is a very close friend of (Chiachi Tason), the true names of the son of Marcela Tason, a former secretary of Noriega. Iris, the wife of Ulises Nunez, the taxi driver, is the sister of Etelvina, who is the secretary of Leslie Loaiza [chief of the Technical Judicial Police [PTJ]. Since January—pay attention—since January, one of the Justines family's hideouts, which contained money in cash, jewels, and other valuables, was looted by someone who knew their secret. It was a member of their clan. It was someone from the inside. Here is where Leslie Loaiza comes into the scene. When this occured, they become suspicious of Ulises Nunez, because of his close ties to the family and because of his knowledge of all the details. He is a member of the clan. So Iris called Ulises Nunez, who was in Santiago, Veraguas Province, in a town called La Colorada. She persistently made calls to him to come to Panama City. However Ulises was afraid because of what he read in the newspapers. He refused to go at first, but then decided to go and fell into the hands of the PTJ, headed by Leslie Loiza; they break his fingers. The U.S. intelligence official, who came to see me today, told me about this. Ulises Nunez told the intelligence service about everything.

You have never heard Leslie Loaiza telling anyone that he was called upon by the Justines family to search for that money, the loss of which was reported to him by Guadalupe. Being at the service of Justines, he [Loaiza] began a wild search for that money to the point of torturing innocent people, such as Ulises Nunez—at least I believe he is innocent. He was unjustifiably tortured.

The truth is that Ulises Nunez is hiding somewhere in Panama City. I do not know where, but U.S. intelligence officials can reach him. It was the sister-in-law of Ulises Nunez who contacted U.S. intelligence and she is also willing to make statements, as long as she and her sons are protected, because they have been repeatedly threatened by the clan, of which Leslie Loaiza is a member.

[Reporter] If I understand correctly what you have said, this means that Captain Leslie Loaiza was actually looking for the treasure held by Former Col. Marcos Justines, but he did not participate in the kidnapping and assassination of Former Col. Justines' grandson?

[Miranda] I am going to explain to you what I know. Loaiza was asked to help find the money that was stolen from the Justines family. When Loaiza began the search, he learned of the $80 million secret and this secret was also learned by other members of the PTJ. That is where the paths of the kidnappers and Leslie Loiza meet. This must be determined by a serious, objective, extensive, and honest investigation. They have to determine how these paths crossed. The truth is that Leslie Loaiza, as the PTJ director, concealed the facts from citizens. When these people, Tason, the son of Otilio Miranda, and the others—you can read the names on the media—became desperate, they resorted to the kidnapping of the son of Guadalupe Justines, and Loaiza did not say anything about what was going on. He said nothing to anyone. He did not say anything about the money that was placed in several hideouts. He did not say that several people and the clan were searching for this money. [end recording]

Loaiza Files Suit Against Miranda

PA0305022190 Panama City Circuito RPC Television in Spanish 2315 GMT 2 May 90

[Report on interview with PTJ Chief Leslie Loaiza by unidentified reporter on 2 May in Panama City—italicized passages are recorded]

[Text] The situation is becoming very delicate. This morning, the director of the Judicial Technical Police [PTJ], Captain Leslie Loaiza, filed a slander suit against [special prosecutor] Rodrigo Miranda.

[Loaiza] *I am not going to defend my public post, but rather my honor and my human dignity. I feel at ease, because I have a clear conscience. These infamous attacks strengthen hatred and evil. I will continue with my professional work as long as God and the people permit me. I repeat, I have filed this case before the office of the Attorney General.*

I am convinced that he [Miranda] has been used, without stopping to look at what is behind all this. As I said before, this is something that has been going on for three or two months, and it is intended to get me out of circulation.

We know this originates with the enemies of democracy and the brains behind all this used to be my former colleagues who used to belong to the force [as heard]. They consider me a traitor. I am in a very delicate position. Those from prior to the 20th of December 1989 consider me a traitor, and some officials feel I am not to be trusted.

Capt. Leslie Loaiza also referred to his connection with the money taken out of the National Bank of Panama.

[Loiaza] *I do not know. I was never involved in that. He [Miranda] mentions a Mr. Ulises Nunez. It is true that around 30 or 31 January, Guadalupe Justines filed a suit against Ulises Nunez, accusing him of having stolen $300,000 or $350,000 she gave to him for safekeeping.*

He was arrested and turned over to the Assistant District Attorney, Mr. Ballesteros. Ballesteros was assistant district attorney at the time, and he determined Nunez was to be arrested. Later, I heard that Ulises Nunez was released on bail. When the child [Guadalupe Justines' son] was kidnapped, my first suspect was Ulises Nunez, and I even sent for him. He was in Santiago, Veraguas Province, in his hometown.

Very quickly, I realized that he had nothing to do with this first stage of the kidnapping of the child because he was in Santiago at the same hour that the child was kidnapped. However, on the following day he went to see me with his lawyer and told me he wanted to speak with me, as he had been kidnapped.

Capt. Leslie Loaiza insisted that he has not been asked to resign, as Mr. Miranda has not presented any evidence. Loaiza also said that there is a certain relationship between one of his secretaries and the wife of Ulises Nunez.

[Loiza] *It is true that Etelvina Munoz works in the PTJ. She is not my secretary. She works in the PTJ secretarial pool. Inasmuch as I am the director, all personnel are under me, but she is not my private secretary. I have two secretaries and Etelvina is not one of them. However, she is the sister of one of the persons suspected of having stolen the $350,000 from Colonel Justines' daughter—Guadalupe Justines. In other words, she is the sister of Ulises Nunez' wife.*

Ambassador to Washington on President's Visit

PA0305001490 Panama City Telemetro Television in Spanish 2300 GMT 1 May 90

[Report by correspondent Bosco Vallarino in Washington—italicized passages are recorded]

[Text] Washington D.C. dressed up to receive the Panamanian president, who has been following a tight schedule since early this morning. His agenda included an expanded meeting with President Bush, his advisers, and Cabinet members. Panamanian Ambassador to Washington Eduardo Vallarino gives "Telemetro Reports" full details of the topics discussed at this closed-door meeting:

[Vallarino] *Some of the topics concerned drug trafficking, etc., as our country has concluded agreements with the United States on drug control. However, of much more importance for Panama's economy were the topics related to the widening of the Panama Canal and the revision of Law 96-70; Murphy's Law, as we call it in Panama, which we have tried to change for so many years and now actually have the possibility of doing.*

Also in the economic field, a free-trade agreement was discussed. This agreement is of fundamental importance to Panama because it would ensure the speedy and continued development of our economy and jobs for thousands of Panamanians who are without jobs today. In my opinion, this is the most important step in the economic field which is being furthered by the National Government.

However, the most important topic discussed was the distressing delay of the aid package offered by the U.S. Government. The reason for this delay can only be found in the Capitol Building, where the law needed to authorize aid funds to the budding democracies of Panama and Nicaragua has taken an uphill road, primarily the victim of differences on domestic matters between U.S. legislators.

Orrin Hatch, U.S. Republican senator from Utah, told us that Democrats are trying to squeeze in an abortion clause that would bury the full bill under the sure veto President Bush. Thus, the Republicans have retaliated with a proposal to apply the death penalty to drug vendors, and this proposal is totally contrary to the Democrats' liberal position. However, Hatch expressed optimism that by Monday night [7 May] all disagreements regarding the aid needed by his Panamanian friends will be resolved. If this is so, bill HR4404 will go through a revision process to render a final and equal version for both chambers. Later it is presented for approval, and finally sent to the President for his veto or approval.

If all the obstacles are passed, Panama will receive $420 million, to be distributed in the following manner: $185 million to the private sector, $45 million for construction, $50 million for manufacturing, $30 million for tourism, $35 million for trade, and $25 million for agriculture. [figures as received]

The public sector would also receive a $185 million boost that is to be distributed as follows: $6 million for public administration; $20 million to strengthen the administration of justice, including the formation of a professional police corps; $10 million for environmental protection, including the plant life surrounding the canal; $4 million in scholarships for low-income youth; $5 million to promote exports and investments; $35 million for health; $20 million for education; $20 million for agriculture; $20 million for electricity; and $45 million for transportation and communication. Finally, $130 million would be placed at Panama's disposal so that the country may meet our pending foreign debt obligations inherited from the Noriega dictatorship.

But what happens if the bill is not approved? Does Panama have a backup plan to confront the worst crisis the Panamanians have ever experienced? Ambassador Vallarino said he is sure the bill will be approved.

[Vallarino] *There is no substitute for the $420 million if Panama's economy is to experience a quick take-off plan. Therefore, if the money is not approved at this time, we will have to continue trying until we get it.*

The Panamanian ambassador also said that, at this moment, we probably have the highest per capita debt in the world, and added that in 1989 our outstanding foreign debt reached $540 million.

[Vallarino] *The foreign debt is being discussed with the international financial institutions, the so-called IFIs, the World Bank, the IMF, and the Inter-American Development Bank [IDB]. Just this morning the president of the Republic had breakfast with the presidents of these three institutions. The foreign debt must be discussed in a specific order. The first step is to talk to the IFIs, the*

second step is to talk to the Paris Club and have a meeting with all the governments which have lent us money, and the third step is to deal with our commercial debt, in other words, our debt with the private banks.

To cancel its debt with the IMF, the World Bank, and the IDB, Panama has asked the United States to head efforts to form an international support group to help cover the overdue payments. With its aid package, the United States would provide $130 million, Panama would put up another $130 million from its frozen assets in the United States, and the support group would supply another $130 million. Finally, the U.S. Treasury would lend us approximately $150 million to cover our overdue payments so that the credit institutions will resume their disbursements.

Despite the Panamanian president's visit, the disbursement of the economic aid to Panama is not in President Bush's hands. The decision is in the hands of Congress. The House of Representatives has already approved $420 million, but the Senate has yet to reach an agreement.

FP Reiterates Refusal To Provide Information

PA0305121090 Panama City Circuito RPC Television in Spanish 2300 GMT 2 May 90

[Text] Magistrate Eusebio Marchosky, president of the Directorate for the Recovery of State Property [DRP], reiterated today that Public Force [FP] members are refusing to provide information.

[Begin recording] [Marchosky] If we continue the course we are currently on, I am not only going to feel disappointed, but deeply disappointed.

[Reporter] Who is actually hindering your work, the FP or the Americans?

[Marchosky] If I am right, the FP is hindering my work. If the justice minister is correct, then the Americans could be hindering justice. In this regard, I believe the government has to demand an investigation. What I am saying is that if this liaison exists, the Justice Ministry is not the normal route for conveying and examining evidence and information that may be transmitted by the Americans to the authorities.

[Reporter] There are rumors that you have a deal, with Special Prosecutor Dr. Rodrigo Miranda, to destabilize the government. Is this true?

[Marchosky] The fact that I am Miranda's cousin does not mean we are plotting. Remember that I made public statements because the president demanded that I do so. Hence, would the president be in the deal simply because he asked me to make the statements? He did not summon me to provide private explanations to him. I cannot be accused of destabilizing the government, because this government asked me to make public statements.

[Reporter] What is the evidence that is being withheld?

[Marchosky] I should not be making this statement here. However, you can see that writs of habeas corpus have been granted in cases deal with human rights violations. Why have some writs of habeas corpus been granted in favor of some suspects? Due to lack of evidence. As you are aware, one of the documents, rather the files, seized by the U.S. Army includes the G-2 files, which contain 20,000 pieces of evidence against those who violated human rights in Panama, because the G-2 was the instrument for carrying out these actions. If Panama has had access to the G-2 files, who had such access? If Panama has had the opportunity to gain access to the G-2 files and it has not requested to have access to such files, then there is serious negligence on the part of Panamanian public officials. [end recording]

Police Director Denies Resignation Rumors

PA0305014990 Panama City EL PANAMA AMERICA in Spanish 1 May 90 p 12-B

[Report by Juan Pritsiolas]

[Text] Colonel Eduardo Herrera, general director of the National Police, has described the U.S. reports claiming that he is disillusioned with his current position and intends to resign from his office as "false."

"I have never said that I am disappointed. Had I been, I would have resigned from the very beginning," the officer said. He also stressed that he has a commitment to the homeland, President Guillermo Endara, and the Public Force.

Herrera, who was appointed general director of the National Police after the army of overthrown General Manuel Antonio Noriega was dismantled, also denied an upcoming retirement, saying that, according to regulations, he still has two years to go before retirement.

I will only resign if the president asks me to, he added.

The general director of the National Police did not give much importance to those who criticize him and accuse him of buying a luxurious residence in Miami. During my exile in the United States, Herrera said, I bought a house worth 100,000 balboas in a non-luxurious neighborhood, and it has a 30-year mortgage. It is a modest house. If it were a mansion like the ones Spanish singers Isabel Pantojas or Julio Iglesias have, there would indeed be reason for concern, he added.

He also reiterated that he is making "every effort" to remove the members of the Public Force who have been involved in illegal activities or human rights violations.

The director of the National Police admitted there is a lack of surveillance, but attributed it to the lack of equipment. However, he announced that Government and Justice Minister Ricardo Arias Calderon is taking steps to obtain that equipment so that a more effective service may be offered in a couple of months.

Anti-Imperialist Slogans Mark 1 May Celebration

PA0205221990 Panama City Circuito RPC Television in Spanish 2300 GMT 1 May 90

[Text] On the occasion of the commemoration of 1 May, International Labor Day, several activities were carried out this morning.

Workers of popular organizations staged a march from Belisario Porras Plaza to Santa Ana Plaza, where various union leaders spoke, referring to the times the country is going through and the government workers' situation.

Members of the various labor organizations chanted anti-imperialist slogans and waved anti-imperialist signs, stressing their disagreement with the 20 December intervention and the permanence of the U.S. Southern Command in our territory.

In addition, union members rejected any amendments to the Labor Code and the current struggle for political control under the new government.

The date of 1 May 1986 [date as heard] is a milestone in the history of the struggle of the international working class. It is a date on which Chicago workers began a day of struggle against the exploitation of man by man, demanding a reduction of the working day to eight hours.

The march by the popular organizations, which was escorted by Public Force vehicles and motorcycles, was staged in complete calm and without any incidents.

In addition, the recently created General Union of Workers [Union General de Trabajadores], which comprises approximately 18 public and private organizations, held 1 May anniversary celebrations.

[Begin unidentified worker recording] I want to remind those who are ruling the country, who were previously members of the Civic Democratic Opposition Alliance, that they promised the Panamanian people the Labor Code would not be amended. In their daily statements when they were running for office, they told the people that they disagreed with any measures that would affect the neediest sectors, and such amendments would affect the neediest sectors right now. An effort is only being made to please national and international capitalists. In fact, we urge the government that if it has any economic projects involving certain investors, it should present them to the people formally so that they can explain how much they are willing to invest and what they intend to do. This is what our leaders should do: discuss seriously and in an orderly fashion all the matters that affect the country. [end recording]

Torrijos Remains Stolen From Crypt

PA0205230990 Panama City LA PRENSA in Spanish 2 May 90 p 18a

[Report by Vilma E. Figueroa B.]

[Text] Technical Judicial Police (PTJ) Director Leslie Loaiza has reported that the remains of General Omar Torrijos, which were in a crypt at the Sacred Heart National Sanctuary, were stolen at approximately 1600 on 1 May.

The official said that Martin Torrijos, son of the deceased general, and Marcelino Jaen had come to the PTJ's offices to report the crime.

According to another source, it was known that the person who looked after the Torrijos remains made a statement to the effect that the theft could have been committed by two white-skinned persons with a foreign accent, possibly Europeans, who were at the National Sanctuary.

It has also been known that it is very possible that the desecration of the crypt and the theft of the Torrijos remains was to obtain monetary reward.

Commentary on Events Fostering Insecurity

PA0305024390 Panama City Radio KW Continente in Spanish 1200 GMT 2 May 90

[Station commentary: "Insecurity and Fear"]

[Text] Events are occurring in the country at an incredibly fast pace, events that show instability and disorder, that foretell the dangerous paralyzation of the return to democracy project, and that confirm doubts and suspicions of the government's political unity.

Confirmation of the judges was preceded by struggles and confrontations, with the prosecutors still awaiting ratification of their appointments because of what seems to be hidden forces that conspire against this. Every other day, high-ranking officials report events that move public opinion and cause mistrust in the handling and behavior by such important organizations for safety and peace as the Public Force and the Judicial Technical Police [PTJ].

We have Judge Marchowsky making statements and continuously confirming reports against the executive branch and the Public Force. We have the attorney general making statements and referring to how those inmates charged with being involved with the dictatorship are afforded protection. We have the mayor making statements over the release of the former mayor. We have the appointed prosecutor making statements about reckless reports. To these, we must add Special Prosecutor Rodrigo Miranda's reports, unveiling plots and obstacles against the functioning of his new prosecutor's office and reporting the involvement of the PTJ chief in the horrible murder of Colonel Justine's grandson.

As if this network of reports were not enough, the president, the vice presidents, and the comptroller are always appearing in the media to answer, report, hurl reprimands, and make claims to the officials who make the reports and to the media that cover these reports.

going so far, in certain cases, as to treat those officials so harshly that they have asked for their resignation.

In this jungle of accusations and counteraccusations, confusion is such that the officials irresponsibly invade the borders that separate the government branches, affecting the principle of the separation of powers advocated by Montesquieu—the basis of democracy. We stand before a situation that seems to have emerged from the darkest Kafkaesque thoughts, and that is intolerable.

Matters threaten to get out of hand with the declarations of the PTJ chief when he identifies Public Force and PTJ members involved in the abominable murder of little Rodriguez Justine and in the daily threats against his life and that of his family.

As if this were not enough, the possibility remains that the kidnapping and subsequent murder of Justine's grandson was planned and directed from the residence of the Peruvian ambassador.

This adds a very serious factor of international disturbance with unpredictable repercussions. As we see, the country's situation is not normal, despite the continuous statements made by those ruling us.

The main reason for uncertainty and fear is the existence of a Public Force composed, to a large extent, of members who were paid assassins at the service of Noriega, and who from the bottom of the new institution are plotting every day against the people and democracy. In view of this threatening and diabolic tangle, the government should take immediate action to restore calm in the country, because the citizens are living amid insecurity and fear.

Moreover, more recently, and to further increase the state of insecurity and fear in the country, a disturbing and surprising new element was added last night when Special Prosecutor Dr Rodrigo Miranda maintained he had the support and confidentiality of members of the U.S. Army Security and Investigations. According to Miranda, they provided him with evidence of the involvement of the PTJ chief in the kidnapping and assassination of Justines' grandchild. We say this is a strange event because, should Rodrigo Miranda's statements be true, it would be logical to assume that in view of its great importance, the evidence should have been delivered not to him, but to the president of the republic himself, to the government and justice minister, or to the attorney general, who are in one way or another the suitable people to receive the evidence.

Insisting that a dangerous and quasi-anarchic situation exists in the country, which is dominated by anxiety and the bewilderment of the highest-ranking government officials, we once again want to propose, as an urgent necessity, that the government imposes on itself a time for deep reflection and moderation. After this the government should resume initiatives and actions that aim to provide a climate of social peace, political balance, and objectivity, and which are fully within the boundaries of reason and the law, and it should tell the truth to people with no reservations or deals. Only when these decisions have been made will these strange situations end, situations that are provoked at times by foolishness, but a lot of times by irresponsibility and the exhibitionist, profiteering, and destabilizing objectives of those who, with impunity, are playing with the people's interest and confidence.

It is also necessary to reassert the political unity of the state, which the people demand and believe is necessary but which does not seem to exist. Only when there is full certainty and absolute faith that the unity of the state is real and true can the country's conscience rest in peace. Then the government decisions will have the necessary support of the people to end these dangerous contradictions and this internal confusion that threaten the future of our democracy.

Argentina

President Menem's Address to National Congress

PY0205110090 Buenos Aires Argentina Televisora Color Network in Spanish 1357 GMT 1 May 90

[Speech to Congress by President Carlos Menem at Congress Building in Buenos Aires—live]

[Text] Honorable Congress, brothers and sisters of my fatherland: the courage of a people is not only assessed on the battlefront, or at the time of a catastrophe or accident. The courage of a people is also measured by how much truth they can bear. This is why today I have come here to talk in complete honesty. If you forgive me, I want to put aside all formulas and protocol. As president of all inhabitants of this blessed land I do not want, seek, or intend to transform this message into a simple inventory of government measures. I have not come here to speak with hollow phrases. I do not want to make a speech full of excuses or praise. On the contrary, I have deep conviction. I have not come here only to make an account of my government's accomplishments, but also to tell you of our frustrations, our mistakes, our debts to society. I have come to recall the government successes, but also its debts to society. I want to recall our measures, but also to call on you to seek solutions to impending problems. I want to avoid an unjustified claim of triumph, the shortsighted thinking that all is well, the blindness of not wanting to see, the narrow mind.

I call on everyone's honesty when assessing the work of our government. I ask for the humility to praise and criticize. I ask that you show humility when assessing our accomplishments and see that they are not exaggerated or minimized. I do not permit any public officials to draw irresponsible conclusions from provisional results. I call on the opposition to avoid undue exaggerations and to avoid appraising everything as apocalyptical.

I would not be honest if I forgot that our country was on fire. We still feel the ashes, the painful wounds, and the smoking debris of this fire. Neither would I be honest if I did not state my certainty that we are on the right path. We have a new horizon, full of hurdles, difficulties, and—why not admit it—a horizon full of logical and human contradictions. This happens when you want to change everything and you look with anxiety at the countless problems ahead.

I want to ask all legislators to sincerely recognize the integrity and courage of the Argentine people, particularly the humblest ones, those who own less, those who are hungry, those who are showing us with their sweat where our main responsibility lies.

Our people showed an unsuspected maturity as they stoically bore the bitterest moments, the most dramatic days, the most difficult times. The Argentine people showed maturity and patience when everything seemed to fall apart, when our strength seemed to weaken, when the temptation to violence or totalitarian delirium seemed the easy way out. They did not weaken, lose the path, or give way to despair.

During my inauguration I made a concrete call for national unity. Today I want to salute the unity of the Argentine people. It was seen every day. I want to reiterate the call for national unity, which is more important than partisan differences, ideological flags, or sectarian interests.

The time has come for all leaders of every faction and every sector to respond to the exemplary lesson given to us by our people daily, to speak their language, to express their desires, and to represent their wishes even more. I want to urge all leaders of the fatherland to give up the selfish confrontations, the short-term speculation, the rancor of the past. I ask them to make use of the best tools for defending democracy and our institutions. I also want to promise that the national government will avoid becoming all-powerful, will disdain arrogance, and will not think of future elections but only of future generations.

With that promise, with that point of view, the president of Argentina is willing to continue paying all political costs to guarantee the agreement and friendship among all Argentines. [applause]

The sacred idea of national reconciliation means that we Argentines have the right and the obligation to disagree about our ideas, but that we cannot afford to disagree about our ideals. What is the fatherland but a shared ideal, a common dream, a hope that goes beyond all difficulties and all partisan labels?

The people do not seek national unity only to be together. The people live together for something. National unity is not just a static symbol of good will. It is not an abstract or rigid concept. National unity is like a dynamic engine, the muscle that moves us to recover the greatness of the nation that has been lost and forgotten. That engine is today moving us to implement a number of profound changes that Argentina—when it lacked decisiveness and conviction—had been delaying.

That is the essential cause which motivates our steps. That is the only banner I am raising here and now. As president of the nation I do not care whether a given policy is of the right, of the left, or of the center. I only care whether a policy is good or bad for the fatherland. [applause] I care whether a policy is good or bad for our children, and for the children of our children.

It would be useless to deny the important dilemma I encountered some 10 months ago, when I assumed the responsibility of leading the fatherland. As president of all citizens I encountered a dramatic dilemma on 8 July 1989. I could either become a simple witness to the crisis, or I could decide to begin a serious transformation. I could either administer poverty or begin profound changes that could lead to a better exploitation of our resources. I could either become the leader of the status

quo, of more of the same, of a tested and unsuccessful libretto, or I could call on all Argentines to finally turn a historical page in our life.

The option I chose was the toughest one, the most complex, the most painful for all, especially for the president. It would have been much easier to engage in demagoguery, to indulge in deceit, to decide on the easiest things, to nourish irresponsibility. That error, however, could have led to an authentic national tragedy. This dying country could no longer tolerate any kind of adventure. This sick country could no longer be cured with old medicines. For this reason our proposal is strong, and our decisions are for change. This is the reason for the conviction—for the transforming and revolutionary idea of the new political, economic, and social system we have proposed to all citizens.

This system requires, above all, a great effort of cultural transformation and the modification of our habits and traditions. This system cannot be changed be decree, by the decision of a bureaucrat, or by an administrative measure.

It would have been easy, very easy but very cruel, to launch a process of change with a gun under my arm and to the sound of bullets. It would have been easy to change Argentina by socially neglecting millions of Argentines, by the use of force and authoritarianism.

The difficult thing to do, the epic problem of our times, is to put Argentina on sound footing by modifying our conscience, by calling on all citizens to participate in the process, and by integrating all forgotten citizens into the fatherland. This is the real challenge. You can be unfair by distributing wealth poorly or by preventing the creation of new wealth. The old system would have perpetuated our decadence and would have continued to squander our wealth and cheat our humblest citizens. The old system broke our country into an irrelevant group of economic and social islands.

Our system has two main pillars, two priorities: freedom and social justice. In a country like ours, freedom and social justice are not only rights but also duties. Freedom is not the right to die of hunger. It is not the consolidation of misery or the perpetuation of the powerful in their privileges. We are betting on the creation of a system that rewards work above all other economic activity.

Our decision from the beginning was clear. Argentina could not continue being a populist country with an empty pocket; a banana republic looking at the brain drain; a country imprisoned in a vicious circle of speculation, institutional swindling, and decadence.

To change the trend we had to boost the nation over those hurdles, free its energies, uncover its more painful wounds and its worst misery. We had to cut the knot binding the special interests, public theft, well-organized lobbies, and strong pockets of patronage and privilege. We had to terminate a social and economic system that was hindering our growth, production, and working culture. We therefore placed on the table our worst contradictions and our system of failure and backwardness.

My government said enough to this system, maybe without a perfect remedy, maybe facing more difficulties than we expected, and undoubtedly with many regulation and implementation problems. However, we said enough, and our decision is irrevocable.

The state reform and economic reform laws that you patriotically approved at the beginning of my term were the basis of the new model. We also submitted to you, within this framework, the law penalizing tax evasion, the law establishing a new tax system, Decrees 435 and 612 of 1990, and the complementary regulations to establish new rules on behavior in the economic field.

The new model is perfectly defined. We want to build a humanized, decent, efficient, and competitive capitalism—a true capitalism and not a rhetorical capitalism built as a wall to hide evil, dark, and destructive vices.

Because real capitalism excludes state bureaucracy and private incompetence, it also excludes the socialization of losses and the privatization of profits. It also rejects minimum production, high speculation, and rich businessmen with impoverished companies. Therefore, the first step was to become sincere in the debates about our national economy, to put an end to the hypocrisy of proclaiming principles in declarations and forgetting them in decisions, to establish the most stable possible rules within the terrible changes produced by the crisis, to make the economic mechanisms more open and less obstructed by decisions from people who are not involved with the main participants of our economy. The economic mechanisms should be in the hands of people capable of carrying out a process of change.

As predicted, the change produced many risks, traumatic moments, disagreements, disappointments, and pressures. We thought we had overcome many of these risks early on, when we saw initial signs of stability and a calm before the storm. I am quite sure that we lacked a very clear notion of the changes that were needed and a system of implementation to ensure their immediate efficiency. I must be very clear in this aspect; at times we stumbled over the slowness of our own bureaucracy and our own internal problems. Sometimes we postponed some measures, waiting for private initiative that was very late in arriving and that even today is not adequate for the community's needs.

Just as it would be simplistic to say that the time for effort has passed, it would also be simplistic to make the government responsible for all the problems, especially when we chose the options of freedom and responsibility. It is necessary to be realistic and prudent, both in the evaluation of what happened and in the projection of what is coming. Each of us must learn the lessons of the last few months, because we know that the grumbling from the old system will continue to be heard, despite

our partial success and the sacrifices we have made, despite the road we have followed and the road that remains ahead.

I would like to reiterate once again the president's irrevocable decision on this matter: The times of getting rich quick and easy by means of financial speculation are over in Argentina. [applause] The times of irritating privileges under the protection of a broken state are over in Argentina. No one can ignore that situation. It will be necessary to remove the things that kept us down for years; the things that no one has so far dared to remove; the things that drove us to the depths of hyperinflation, and worse yet to the depths of national hyperfrustration, to the hyperpoverty of a large part of the population, and to the economic and cultural hyperbackwardness. Under this situation we cannot have political sovereignty, economic independence, or social justice. This is the situation we expect to change.

Legislators, last year's economic situation was marked by hyperinflation and recession. The hyperinflationary recession is not a brief situation or part of the economic cycle, as other types of recession, because it breaks the business sector's will to invest, and takes away the possibility of public investments, thus preventing the creation of new jobs. Although hyperinflation can be brief and violent, its consequences can last a very long time, because it breaks down production and takes the country out of the international markets. What is worse, hyperinflation destroys the country's economic and cultural potential, the capabilities of the labor force, the initiative of the private sector, and the state's ability to mediate. That situation is only a step away from national dissolution, as history has often shown.

It cannot then be surprising that our struggle in this area has essentially been directed at bringing down hyperinflation. We did so without disregarding other pressing needs of a country that has not experienced growth in the past 14 years and where real salaries are half what they were a decade ago. We remember that drama very well, but the initial priority in our process of reconstruction was hyperinflation, because hyperinflation renders economic calculations useless, both in the public and private sectors. Consequently, there is neither profitability nor investment; there is only an erosion of salaries and impoverishment.

We understand perfectly well that inflation in Argentina can be traced to various causes and that it has had stages of different intensity. There is no doubt, however, that the recent bankruptcy of the state and its refusal to admit its bankruptcy acted as triggers of a potentially fatal process. Therefore, it is here that we began our effort to transform the Argentine state, both in its short-term financial operation and in its entrepreneurial and administrative structure. This effort explains the privatization of public properties, the solution to the internal debt, the punishment of tax evaders, the reduction of nonproductive expenditures, the emergency taxes, and the measures to bring about deep structural changes that go beyond those necessary to overcome an adverse cyclical situation.

Let no one be mistaken or deceived: The transformation of the state, the privatization of public enterprises, the elimination of regulations, the administrative streamlining, the straightening out of fiscal accounts, the opening to the world, and the elimination of unnecessary controls are not meant to raise an auction banner over the national state. On the contrary, these measures are mechanisms for the recovery of the state's sovereignty; its ability to govern; its indispensable presence in those sectors in which it cannot, must not, and will not be absent. [applause]

Let us be frank. We Argentines have for years been deceived by a fatal mirage. We saw the image of the state, where there was nothing but bureaucracy; we saw the image of the government, where there was nothing but impediments; we saw the image of service, where there was nothing but exploitation. The result was painful, and the consequences are still being felt. Is there any teacher who was well paid by an overprotective state? Is there any physician who was professionally gratified by working in a public hospital? Is there any law enforcement officer who was well paid for risking his own live? Is there any humble Argentine who benefited from rapid court procedures, from a dignified health care system, from effective public service?

Naturally, the tranformation of the state necessarily calls for a restructuring of the public enterprises. We want public services that are efficient. We want to retain in the hands of the state only those public enterprises that are structurally needed for the nation's development, growth, and production. We want the state to pull out of entrepreneurial activities that can be performed by the private sector. As for public services, the state will oversee those services operated by the private sector so as to guarantee their efficiency and reasonable charges.

Our objective is to have a state that can concentrate on strategic and essential functions that it should have never failed to perform; namely, education, justice, health, government, and security. We believe that this is the most powerful and suitable revolution of our times. However, this revolution will prove to be impossible, regardless of the good intentions and courage displayed by the state, if the private sector does not support it.

It would be naive and irresponsible to view the task of rebuilding our economy as a job for the state alone. Especially so, since we have had to shoulder the burden of change without any foreign assistance and in the midst of an inherited distrust, a distrust that we have been assuaging day after day by fulfilling our objectives and by establishing firm and realistic goals. Thus, a joint, shared, and simultaneous effort is necessary.

A great deal must still be done to make our private enterprises competitive; to make them take new risks and try out management innovations; to ensure that

taxes are paid honestly; to demonstrate trust not only with words but also through deeds, such as by making genuine investments and putting an end to the flight of currency abroad.

As you can all see, we do not overestimate the advantages of a temporary stabilization of the market, because this stability will remain temporary as long as we fail to comply with our duties and to make our share of sacrifices.

We know that much needs to be done. The state has yet to make many adjustments and the private sector has to get used to the new conditions of freedom and responsibility. Now that the crisis is over and the initial consequences of hyperinflation have been overcome, we believe that we are faced with the crucial task of implementing the necessary fiscal adjustment, while at the same time creating the conditions that are essential for growth.

This is the task that we must carry out over the next few months. We want a genuine reactivation, not a false reactivation that would prompt another outbreak of inflation.

This government will oversee this sensitive process very closely to make sure that the variables do not get out of line. Now that inflation is under control, it is to be expected that the structural changes that we have launched will motivate the private sector to increase the growth rates to a level that will ensure a significant increase of the per capita income in the medium and long terms.

Today, bearing in mind the suffering we have experienced and the need to be prudent, we can say that there are signs of an incipient recovery from the deep recession that plagued our country during the first half of 1989.

My administration's popular market economy is above and beyond ideological whims, party considerations, factional dogmas. It is intended to be a genuine and original proposal in keeping with the loftiest of national interests. We repudiate the idea of a totalitarian state that rules individual behavior and asphyxiates initiative, but we equally repudiate the idea of a state that is indifferent to outrageous social unfairness. [applause]

We want to build a state capable of guaranteeing common well-being, social coexistence, economic growth, and a fair distribution of wealth. We firmly believe that underdeveloped countries are badly managed countries. Thus, our basic goal is to attain a model of economic development that would be compatible with political democracy.

Let it be clearly understood that we want a popular state, not a populist one; a national state, not a chauvinistic one; a free state, not an anarchistic one; a state that belongs to all the Argentine people, not one that is a slave to a single political party, a labor union, or a business association. [applause]

Honorable Congress, the process of deep change that we are advocating would not be all-encompassing if we were to neglect to take into account the remarkable changes that are taking place elsewhere in the world.

The administration's mind is reaching out into the world while its heart reaches out to all Argentines. Our administration is sovereign, because sovereignty means seeing the rest of the world as an opportunity rather than as a threat. Our administration does not believe in ideological barriers, because the only barriers that interest us are those that block our quest for progress, development, commercial growth, cultural exchange, free self-determination, noninterference in domestic affairs of other peoples, and universal peace.

We must make a major effort to achieve the broad-mindedness necessary to fully comprehend what is going on in a world where borders are changing and new maps are being drawn, a world of overall changes prompted by the dynamics of history and the actions of peoples who want more freedom and more democracy.

We cannot take the political approach of clinging to stubborn and stagnant ideologies in this dynamic, changing, and swirling scenario. To do so would be contrary to our national interests, a sign of intellectual and colonial dependence.

Thus, we choose to believe in a nation with a capital "N" rather than in petty nationalisms. Today, not only communications, but ideas as well, shorten distances between peoples of the new century. They unite mankind around the same universal ideals, the same dreams, the same endeavors. The death of ideologies does not mean the death of the people's quest for utopias. All it means is that there is no more room for ideologies that present a factional and biased view of the universe; that constitute closed, mutually exclusive, and isolated circles; that purport to be artificial paradises while gradually drowning their inhabitants in hopelessness, emptiness, and oppression disguised in a thousand different ways—in sum, nothingness.

Argentina believes in a partnership with the world rather than in being dependent on the world. It believes in integration rather than in individualism, in participation rather than in isolation, in practical idealism rather than in dogmas that are impossible to carry out. It believes in realistic interests rather than in whimsical principles.

We Argentines must forsake our colonialist turn of mind, which makes us believe that all our evils come from abroad. If we continue to think this way, we will reach the conclusion that no amount of effort, will, or courage will bring us near a solution.

A nation is what it makes of itself and the way it goes about it. A nation must look for opportunities rather than for excuses; it must think about the chances of success rather than about the risks it will run; it must look for new horizons rather than cling to old ground.

Brothers and sisters, we must realize that no nation attains sovereignty and freedom once and for all. Freedom and sovereignty require constant maintenance; they are a daily goal, a lifelong commitment. Freedom and sovereignty must be fought for; they are not a gift or a grant. Our freedom and sovereignty are the result of a long-standing struggle. We started out on the battlefield in 1811, and now we must continue this struggle in the factories, the schools, the government, the universities, and the enterprises. Freedom and independence are often won in battle and lost because of a lack of awareness.

I want an Argentina that will be part of the world, a nation that will have its roots in this soil and the wings to fly out into the world. I want....[applause] I want millions of Argentines to be the standard bearers of our sovereignty, the messengers of our independence, the ones that make our best projects come true. The West and the world as a whole are waiting for our contribution. They are waiting for us to assert ourselves, not to fall apart and be enslaved.

Our concept of sovereignty and national defense forsakes ideas that have been rendered obsolete by more than 50 years of political evolution. It would be stupid to cling to positions that prevailed before World War II, after World War II, during the cold war, or during the time when the world was divided into two extremes at the expense of national identities and worldwide tension was at suicidal levels.

The world I have just described belongs to a century that is almost over; to a millennium that is past. We are humbly and honorably prepared to topple every barrier, to knock on every door, to tear down every wall to defend the only interests that a nation as a whole should care for: national interests.

We have began by tearing down our own walls, those that made us narrow-minded, those that made us cling to meaningless ideologies and rhetoric that did nothing to further the interests of our nation. We have done so because to win the right to participate in world affairs we must first put our own house in order. Our foreign policy is intended to turn those ideas into actions.

The growing improvement in the international situation and the great changes taking place in important regions of the world are helping create an environment full of challenges and opportunities for the Argentine Republic.

To take full advantage of the rich potential of that international situation, it is necessary to eliminate the risk of conflict with other countries. It is also necessary to strengthen our credibility in the world, and to work decisively to solve the priority economic issue that is creating so much anguish for the people.

Our foreign policy goals are simple and concrete. We want to make progress toward solving the conflicts in which we are involved. We want to strengthen our friendship with all countries, and we want to expand our trade and cooperation with the Americas, Europe, and other regions of the world. As I said in my inaugural address before this honorable assembly, our sovereign rights over the Malvinas Islands, and the South Georgia and South Sandwich Islands are the priority issue, the most important issue for our foreign policy. [applause]

The basic objectives of our actions were to resume constructive dialogue with the British Government and to recreate a bilateral framework of friendship and cooperation between the two countries that will allow us in the future to solve the territorial dispute peacefully and through negotiations. This policy yielded fruit in the agreements reached in Madrid on 14 and 15 February 1990. The joint declaration signed on that occasion served as a basic framework for various agreements and measures to restore relations between Argentina and the United Kingdom on a firm basis and with mutual trust. At the same time, the preservation of our country's irrevocable rights over the territories in dispute were assured under the so-called umbrella of sovereignty. These rights are intact, in reserve until the two governments begin the search of a lasting solution to this matter.

While speaking of this crucial issue, I would like, for the sake of our historic memories and of our country under construction, to welcome the new Province of Tierra del Fuego, recently created by a law approved by this honorable Congress. [applause]

Furthermore, I cannot fail to point out the great importance of the new political and economic situations that are emerging on the continent, offering great possibilities to the countries of the various regions, which can now, without losing their individuality, develop a joint presence in the international arena. We firmly intend to move ahead decisively and dynamically toward the unity of Latin America by giving impulse to its integration. Our practical actions in this field have resulted in the strengthening of the regional mechanisms of consultation and in the signing of bilateral agreements to create greater economic integration among the countries of the region. Naturally, we are putting great emphasis on relations with our neighbors.

Regional integration is a necessary step prior to continental integration, in a broad sense and resorting to imaginative and concrete measures. Important aspects such as drug trafficking, environmental conservation, and terrorism, are also a constant concern. Argentina is determined to translate this concern into action, because these problems have a decisive affect on our lands and development. Despite all the difficulties, we are aware of the great historical opportunity offered to us. The atmosphere of trust and spirit of cooperation that prevails in this part of the world stand as an example of international coexistence. Using the democratic experience to stimulate economic growth and progress constitutes a crossroads and challenges our people and government.

Honorable Congress: I cannot give an honest and sincere account of my administration without mentioning two debts democracy still owes the Argentine people. I,

Carlos Saul Menem, president by the will of those who voted for me and the generous support of those who did not vote for me, affirm before this honorable Congress and my people that Argentine democracy has a social debt. Naturally, I do not want to pass up this occasion to note the strenuous efforts we have made in the various government areas to alleviate the emergency situation we inherited; providing food assistance, expanding school cafeterias and the health system, caring for and protecting the forlorn children, stimulating sports activities, optimizing house construction, and taking our social action to the most needy and suffering segment of the population.

The social debt refers to structural poverty conditions that Argentina should not have, given its immense potential and misused resources. This poverty is not reflected just by hunger, but also by the lack of a social, educational, sanitary, and economic infrastructure adequate for a dignified life in Argentina. This transformation must go beyond a simple provision of short-term assistance, and generate a sincere and profound debate over the Argentina we want to have in the next decade. We must set aside temporary palliative measures, and reach the heart of the matter to reverse the deep causes of that structural poverty. When we speak of structural reforms in Argentina, we are not only referring to structural poverty, but to structural unemployment, structural illiteracy, structural malnutrition, and to the many structural mortgages the nation must redeem if it wants to be a real nation in the future.

I therefore consider it indispensable to propose that each and everyone of us initiate a sincere debate and proceed with an agenda for the 1990's in which all interested parties; political parties; enterprises; labor unions; and intermediate social and economic institutions, must participate. I want to seize this great opportunity to call on the nation's best people to discuss and work out solutions that the Republic cannot afford the luxury of postponing, even if they are medium and long-term solutions. We should work on the most urgent problems, but we cannot postpone working on the most important problems. This work is both urgent and important for the government. What model of education do we want for our children? Which principles of labor legislation do we want to enhance Argentina's growth? What social integration will we offer to those who are not in the mainstream today? What kind of health, nutrition, judicial organizations do we want?

We need to abandon the old molds because we require new solutions to new problems. A country can never remain at a standstill because if it does not move forward it moves backward, if it does not evolve it grows old, if it does not develop it dies. In the name of God let us remember once more that if the country does not develop it will die for ever. [applause]

Therefore, regarding these important issues the government has made room for dialogue and participation which should be developed and enriched. This honorable Congress has received a bill which the executive branch considers to be extremely important: the national employment bill. Mention of this bill today, labor day, should serve to recognize our glorious workers movement and to renew our commitment to all workers who are the basic pillars of our proposal.

For my government there is only one type of man, the one who works in legal activities, [applause] and of course those who were taken away from dignified work as a result of decadence and backwardness. Work is an essential human right which conditions the exercise of other social, economic, political, and even individual rights. Work is not simply merchandise or a price, it is a tool to make man happier, to fulfill his dreams in our society. Therefore, it is necessary to point out that our basic interest is to create jobs. We know very well that to govern means to create jobs. Now I would like to resort to figures, brief figures about the 33 million inhabitants of our country: 12.2 million are the economically active population, 7.6 million are fully employed, the remaining 4.5 million are underemployed and unemployed. There are 3.6 million Argentines underemployed and 900,000 Argentines unemployed. I would like to be sincere, a new census about this socioeconomic situation should be conducted to have real figures. What I am saying is that the country is broken in half; a half productive sector which should be activated and revived.

I cannot have peace of mind, I cannot be a happy president as long as these situations that cry out for our solidarity and action persist. This is why our national employment bill is aimed at priority objectives such as automatic legalization of nonregistered employees; new forms of hiring; occupational retraining; unemployed worker protection; combined actions on technological, educational, and occupational matters; collective bargaining as an instrument to regulate labor relations; all within the framework of current Argentine legislation. We think of those sectors that find it more difficult to enter the labor market, of heads of households, youngsters seeking their first jobs, women entering the labor market, people older than 45, the handicapped, unskilled workers, the long-term unemployed, and immigrants.

There are a series of measures our government has implemented and will adopt to temporarily alleviate the effects of the crisis. Among these measures, I can particularly mention the solidarity program, or emergency help, that has been implemented to reach society's neediest sectors without resorting to handouts; preserving personal dignity. Under this program, the beneficiaries will be remunerated for services rendered to society. We thus intend to recreate conditions for the work ethic, and do so with openness and effectiveness. The implementation of these emergency measures to help family units will be decentralized because, in our view, participation of provincial, municipal, and departmental governments, and charity organizations is vital. I

once again emphasize that these actions are only temporary and are not meant to obviate the creation of better macroeconomic conditions to bring about recovery and generate employment.

The executive branch has established an essential premise that it intends to apply with intelligence and common sense: There is no effective social policy without an efficient economic policy, just like an economic policy is not really efficient if it does not ensure the general well-being and does not guarantee the common good.

Congressmen: I believe that it is also important to briefly refer to other fundamental topics on the 1990's agenda that we must begin to debate. We think it is necessary to establish links between education, production, and labor in a structured transformation that should go hand in hand with the transformation of the community as a whole. Our five-pronged approach calls for educational decentralization, refederalization of education, active community participation, upgrading of teachers, and integration of the educational system, particularly at the university level. Each of these five lines of action is in progress. To ensure success, the participation, as well as the support, commitment, and understanding, of all members of our community is required. Each of us knows very well that undereducated people are spiritual illiterates. Here lies the importance of this matter.

Neither can I fail to note the existence of a participative atmosphere for designing the institutional reforms the country demands for its re-adaptation, its structural changes. Through the Commission for Institutional Reform, we have asked for debate on those fundamental measures that can affect the country's Constitution, the nation-province relationship, the country's electoral system, and regional integration.

We also began a process of political, economic, and social agreement which is essential for this government. We want the state, businessmen, and workers to share their responsibility for preparing the necessary measures to contribute a new profile of the country. Such a profile must include issues that should be resolved through dialogue, participation, and the commitment of social sectors without hesitation or delay. Reaching an agreement must not only represent changing a society into a more democratic one but also making it a real society.

The Argentine people will continue to discuss agreements on better regulations for competition; better use of public expenditures for social and educational issues; modernization of labor legislation; and all the necessary measures to carry out a profound transformation of the state, and the nation. Also, I cannot fail to point out actions implemented in our Armed Forces to reestablish the effectiveness of the military sector; the formation of joint commissions including civilian officials, representatives of the staffs of the Armed Forces, and the Joint General Staff.

These commissions concentrated their studies on ways to improve our military instruments, and to adjust them to the needs of modern warfare, and the possibilities of conflict. In this regard I would like to point out that the objective of our military strategy is deterrence and that in striving for this objective the Armed Forces will become a dynamic factor in national development.

I would like to reiterate my recognition of the military profession which has been tested under all kinds of material problems but which is committed to our democratic institutions and respect for our highest patriotic values.

Legislators, I believe that the areas of participation and discussions which have been opened at various levels of the national life are appropriate because they show that the Argentine people agree on many more issues than we sometimes believe.

Brothers and sisters, representatives of the people, there are many more policies or measures which are also important for fulfilling our mission. You received the list of these measures in the annex of this message which will be released to the Argentine people at the appropriate time. But I would also like to talk about the other great debt which democracy owes the Argentine people. Without deceit or sectorial assumptions, let me say that Argentine democracy has a moral debt, an ethical deficit, which it has not yet been able to overcome. Argentine democracy has a debt of honor and its leaders would be stubborn if they failed to admit this reality. Just as I said before that democracy cannot live with material poverty I would like to say now that democracy cannot live with moral deficiency either. [applause]

Material poverty and moral deficiency are closely intertwined because immorality breeds social have-nots. Thus, for me to mention our moral crisis is a duty, not an excuse. I must fulfill this duty very carefully, setting an example and avoiding slanderous or unproven charges. Just as I am not prepared to tolerate members of my administration turning this subject into fuel for an intraparty power struggle, neither am I prepared to accept impunity for, or indignities from, public servants.

The national executive branch has submitted a bill for consideration by the legislative branch which proposes severe punishment for crimes perpetrated by public servants. In doing so we seek to close a legal loophole which has become an obstacle to the solution of a very serious problem.

I want to unhesitatingly, fearlessly, and firmly reaffirm for all to here, what I have said from the very beginning of my administration: Corruption is tantamount to high treason, corruption is tantamount to betraying the Argentine Republic. [applause]

Democracy must annihilate immorality because otherwise the latter will annihilate democracy. This is a cruel option, but I would like to call upon each and every Argentine to reflect on the fact that this problem does not affect only a given sector or a given political party.

The private sector must also analyze this problem. We must reflect on the justice of a system which for years has burdened our economic activities with a mass of regulations. The fact that it is complex, all-encompassing, and enormous, does not free us from the need to make a personal, individual evaluation of the problem.

We must give up the colonialist belief that a president is a superman capable of resolving everything through decrees. The president, his administration, and the nation's leaders are not the only people in Argentina; there are 33 million Argentines, 33 million leading actors, 33 million minds that have to rebel against mediocrity and resignation. I would be much gratified if each and every Argentine, if each and every leader, if each and every one of us, were to actively engage in a nationwide soul-searching campaign.

There is no point in deceiving ourselves, lying to ourselves. If Argentina is not where it should be it is not the result of an act of God, or a curse. Our society has become infected with unhealthy habits which cannot be cured with a period of economic buoyancy, of improved state accounts, of stable exchange rates. Today many Argentines do not trust their country. I repeat, many Argentines do not trust a country in which they are the leading actors, the witnesses. That is to say, many Argentines do not believe in themselves.

What is happening to us? What are we waiting for? What are we prepared to do to overcome this situation? If it is true that we lack material resources, that many of these resources are badly distributed, it is also true that we should have more than enough spiritual resources to embark on the reconstruction of our fatherland. Without this spiritual force any change achieved will be temporary, the result of fleeting enthusiasm.

When I took upon myself the responsibility of leading our country, I called upon my country. I said: Argentina, get up and walk. Today I have come here to say that the resurrection of a country is a moral matter rather than an economic one. It has no price tag, it requires willpower. It is not a merchandise, it is an invisible national mystique, a mystique of hoping against hope, a belief above and beyond pessimism, a driving force that overrides the pull of sirens' songs that call from the past. Argentina is now standing, it will be able to take its first steps as a nation only if we are capable of accepting our worst evils and drawing upon our most deep-rooted strength and traditions.

This is the cause that I have come here to plead and I begin by pleading it with myself. We must question ourselves in depth about this crisis. What have I, as president of the nation, done to defend national interests, to interpret correctly the demands of my people?

What has each politician done to set the example, to live the way one thinks and to think the way one lives? What has each entrepreneur done to multiply wealth, so that capital will not fly but be invested instead? What has each union leader done to commendably represent the workers and defend the common good? What has each of us done to transform the many Argentinas —unequal, unjust, contradictory, hidden—that now exist into a single and great Argentina, into a new and glorious nation for ourselves and posterity? These, I believe, are some of the questions Argentines should ask today, especially those who have high and serious responsibilities. Beyond all the government policies, all the measures we are implementing, all the right and wrong things that have been done, all the partial successes and permanent failures, this 1 May makes sense if each one of us asks himself about the essence of our national crisis. To be an Argentine is not a casual matter, but a conviction. Argentina, more than a destination, is a road that must be conquered. [applause]

Now, as president of the nation, I ask that in each home, each family, each household, in each corner of the fatherland, we observe a minute of silence, a minute of reflection, not to think what we will ask of our country, but to think what we will give to our country, because to give is to receive. [applause]

I hereby declare the hundred and eighth period of extraordinary session of the Honorable Congress of the Nation open. Thank you very much and may God bless you. [extended applause]

Ambassador to UK on New Province with Falklands

PY0205170290 Buenos Aires TELAM in Spanish 1515 GMT 2 May 90

[Text] Buenos Aires, 2 May (TELAM)—Ambassador-designate to Great Britain, Mario Campora, today stressed that "I do not believe" that the inclusion of the Malvinas Islands as part of Tierra del Fuego Province will "hinder" bilateral relations with the United Kingdom.

Campora made some brief remarks at Government House after meeting with President Carlos Menem prior to his trip to London on 10 May where he will take charge of the Argentine Embassy in Great Britain.

Asked whether the inclusion of the Malvinas in the new Tierra del Fuego Province could become an obstacle for him and the job he will take up in London, Campora said "in no way," because the two governments respect the clause pertaining to the reservation of the right to sovereignty over that territory.

He added that the understanding between the governments of Argentina and the United Kingdom over respect for that clause has already been demonstrated.

He reported that he had met with the president to receive instructions and to inform him of the study of the new bilateral relationship that will include trade among other aspects.

He indicated that to this effect the Foreign Ministry has made important contacts with private exporting organizations, with the National Meat Board, and with the National Grain Board.

At the insistence of the press regarding the creation of the new Tierra del Fuego Province and the inclusion of the Malvinas, Campora stated that "it was a government act by the legislative branch in which a territorial delimitation has been outlined, and in which the demand for the Malvinas Islands as a sovereign territory is stated."

Foreign Minister Returns From U.S., Mexico

PY0205135090 Buenos Aires TELAM in Spanish 1206 GMT 2 May 90

[Text] Buenos Aires, 2 May (TELAM)—U.S. Secretary of State James Baker has reiterated his country's desire to "emphatically support" the policy of President Carlos Menem's government.

This was stressed by Foreign Minister Domingo Cavallo in remarks to the press upon his return to the country this morning after visiting the United States, Mexico, and Colombia.

Cavallo indicated that concrete aspects regarding the possibility of the United States granting financial aid to Argentina will emerge during the meetings that Economy Minister Antonio Erman Gonzalez will hold with representatives of multilateral credit organizations during his upcoming visit to the United States.

Cavallo arrived at 0645 [0945 GMT] at Ezeiza International Airport on board a regular Aerolineas Argentinas flight. In New York, Cavallo participated in a UN Meeting on International Development Cooperation and he met with U.S. Secretary of State James Baker.

In Mexico he participated in an informal meeting of GATT ministers, and in the "Fifth Meeting" of foreign ministers of the Latin American Integration Association [ALADI]. In Colombia he participated in the meeting that created the Ministers Commission for Argentine-Colombian Political and Integration Coordination.

Answering a question, the foreign minister said that abroad "the success of Argentina's economic policy is being highlighted more and more as the days go by." He also indicated that "each week information is received regarding an improvement in the situation, and this information is very well received by the nations that are closely following our evolution and they hope that Argentina will stabilize its economy make all its sectors grow."

Summing up the ALADI meeting, Cavallo said that "there is unanimity regarding trade integration" between the member countries, although he did admit that there is a "different strategy" on the part of Mexico in its relations with the United States.

He then said: "This different strategy in some way led to the creation of a South American bloc and we are going to discuss this next week in accordance with what we have already decided."

He added that "Mexico is trying to negotiate the creation of a free trade area and their difference with the rest of the ALADI countries is whether the advance be simultaneous or whether to advance more rapidly within the integration sphere at the Latin American level."

He indicated that "it is a question of a natural disagreement, taking into account Mexico's geographical position," and although he maintained that "this is not dividing Latin American integration," there is the fact that regarding negotiations with other blocs "it will probably mean that we South Americans will act together while Mexico will do so on its own considering to its geographical position."

Former Nazi Officer Extradited to FRG for Trial

PA0205223990 Madrid EFE in Spanish 2049 GMT 2 May 90

[Text] Buenos Aires, 2 May (EFE)—Former Nazi officer Franz Leo Schwammberger left here today for the FRG after being extradited by Argentine courts and will undergo trial for numerous crimes committed during World War II.

The 78-year-old former SS [Schutzstaffel, elite guard] officer, wanted by a Stuttgart tribunal, is formally charged with having assassinated thousands of Jews in Poland and with committing crimes for pleasure and out of racial hatred, as well as with stealing personal property through blackmail and threats.

Schwammberger, who was born in Brixen, southern Tirol, in February 1912, is one of the most sought war criminals since 1945. His presence in Argentina was formally announced in 1972 and an international warrant for his arrest was issued the same year. The warrant was received by a federal court in the city of La Plaza, capital of the Province of Buenos Aires.

The case was shelved in view of the lack of new clues leading to the whereabouts of the former Nazi officer, who was granted a letter of Argentine citizenship in 1975, which permitted him to vote in the 11 March 1973 presidential elections.

Judiciary sources said that Schwammberger managed to escape from Austria in 1946 with the cooperation of the Odessa organization, and shortly afterward arrived in Argentina with an Italian passport, accompanied by his wife Catalina Siev and two sons. He lived for several years in La Plata, and later in the Buenos Aires neighborhood of Temperley. He was arrested in Huerta Grande, Cordoba Province, in November 1987, without offering resistance.

Schwammberger served with the German occupation troops in Poland, was chief of the guards at the Kzwadow

and Szamenzol ghettos and the central forced labor camp at Plzenysl, and was in charge of shipping groups of people to be exterminated at Auschwitz.

According to archival files, during the time of the Nazi splendor this officer was noted for his meticulousness in carrying out his superiors' orders.

Some historians pointed out that his enemies in the SS scorned him for not being a pure Aryan. He was suspected of having Jewish ancestors, but this could never be proved.

Schwammberger, who was wearing a grey checkered shirt and trousers and a brown vest, was taken by three Interpol members from the prison at Caseros, located in the Buenos Aires barrio of Parque de los Patricios, to the Ezeiza Airport.

At 1542 (1842 GMT), Schammberger, a German prosecutor, and his counsel for the defense were put aboard a Lufthansa airliner which is scheduled to arrive in Frankfurt tomorrow, Thursday [4 May].

The Argentine authorities insisted that the accused man's innocence or guilt was never debated during his detention, only his identity, which was confirmed months later with numerous pieces of evidence.

Bolivia

Dispute Arises Over Lithium Contract in Potosi

Government 'Deplores' Protest

PY0205190690 La Paz PRESENCIA in Spanish 25 Apr 90 p 8

[Text] The government deplores the protest by Potosi organizations over the contract with the Lithium Corporation of America (Lithco) for the exploitation of lithium in El Salar de Uyuni. Congress will decide, the source said.

Mining Minister Walter Soriano said yesterday that the opposition of some civic and union organizations to the contracts follows "political positions."

"Some sectors have taken political positions on the contract instead of looking at the national interest," Soriano said in answer to the announcement of a hunger strike by members of Potosi organizations as of today. The same organizations staged a strike to protest the contract last week.

According to Daniel Salamanca, Potosi civic committee press secretary, Potosi wants two thirds of all taxes on Lithco activities in the Salar of Uyuni. He admitted that "the problem centers on the payment of taxes because Potosi Department is tired of losing all its resources without due compensation."

Minister Soriano recalled that some regions have granted their support to the contract. The minister referred to an open forum in Uyuni on 23 April after which Uyuni's townspeople supported the contract.

Soriano added that the government fulfilled its obligations in all stages of the presentation, national discussion, analysis, and review of the contract before submitting it to Congress. "The Congress will now provide the final word," Soriano concluded.

Editorial on 'Controversial Decision'

PY0205182190 La Paz EL DIARIO in Spanish 25 Apr 90 p 2

[Editorial: "Controversial Decision on Lithium"]

[Excerpts] The approval of the contract for the exploitation of lithium in Salar de Uyuni is creating a conflict because it has already been accepted by Coneplan [National Economic and Planning Council], anticipating approval by the executive branch. However, it is still awaiting final approval from the Legislative Branch, where a government majority will probably also approve it.

The opposition to the contract with the Lithium Corporation of America has been raised by CIRESU [Industrial Complex for the Salar de Uyuni Evaporative Resources—Complejo Industrial de los Recursos Evaporativos del Salar de Uyuni], by the Potosi Civic Committee, with the moral support of other civic organizations in the country. The strike conducted in Potosi on 20 April, the marches, and the other protest actions reflect the controversial nature of the negotiations which are causing concern among national public opinion.

Anyhow, it is rather difficult to explain that the appropriate authorities of that sector have not called for international bids as provided by the current legal order, especially when the resolution creating CIRESU has reaffirmed this requirement. Had the appropriate procedures been adopted, the current difficulties and the consequent waste of time could have been avoided. [passage omitted]

Considering these doubts, there has been no convincing explanation to highlight the benefits, if any. There is no convincing explanation either as to what extent will it contribute for the desired economic "reactivation," or show the general transparency of the case. The national Congress will have the difficult and serious responsibility of giving the final answer to this controversial and now conflictive problem.

Brazil

U.S. Journalists Reportedly Arrested, Released

PY0205151490 Rio de Janeiro O GLOBO in Portuguese 28 Apr 90 p 6

[Report by Luiz Malavolta and Marcelo Faria de Barros]

[Text] Sao Paulo—A team of ABC Television Network journalists from the United States was arrested twice by

the Sao Paulo Civilian Police while filming the basements that were used during the 1960's and 1970's for political repression. The basements are under the premises of the DOI-CODI [Department of Domestic Operations-Internal Defense Operations Center] and the State Department of Political and Social Order (DEOPS). The case has become an international diplomatic incident, because the Americans, together with two Brazilians, were arrested at submachine gunpoint and taken to see Police Chief Nelson Guimaraes, head of the Anti-Kidnapping Group (GAS).

The journalists were held incommunicado for four hours and were only released after the intervention of Myles Frechette, the U.S. consul general in Sao Paulo, who went to the Department of Homicide and Protection of the Individual (DHPP), where the feared DEOPS functioned during the years of repression, to clear up the misunderstanding. The arrests occurred on 23 April and it was only yesterday that the American Embassy was informed.

The ABC team, which includes four cameramen, a journalist, a producer, and a lighting technician, came to Brazil to produce a program on the political repression that occurred in the country during the 1960's and 1970's. This program will be aired on the Night Line [two preceding words in English] program, which is hosted by John Martin. [as published] This program is similar to the Globo Reporter program that is aired by Rede Globo.

The program's "hook" was the publication of the book Brazil Never More, which contains the stories of the victims of political repression in Brazil. The journalists contacted Presbyterian Priest Jayme Wright, a co-editor of the book and brother of Paulo Wright, who was a militant of the Popular Action (AP) group and who died during the years of repression. The priest, who resides in Vitoria, Espirito Santo State, travelled to Sao Paulo where he met with the ABC journalists and Ivan Seixas, a former political prisoner who currently works in Sao Paulo's City Hall.

Yesterday, Police Chief Gilberto Cunha, the DHPP director, confirmed the incident, but he denied that the Americans had been jailed.

Cunha justified the incident saying that "they were just questioned by authorities because they went to film the DHPP premises, which are off bounds because a team that represses kidnappings is based there. They could easily have been kidnappers trying to find out our routine."

Yesterday, at the request of the American journalists, Jayme Wright did not comment on the incident because they fear that the Sao Paulo police and the Army will carry out reprisals while they are in Brazil.

"I am only going to comment on the incident as of Sunday [6 May] when they are out of Brazil," he stressed. Itamaraty and the U.S. Embassy in Brasilia only learned of the arrest of the American journalists through the press. The team was in Brazil legally and their credentials were inspected by Itamaraty's Special Press Secretariat.

Labor Minister Explains Drop in Inflation

PY0205162190 Rio de Janeiro Rede Globo Television in Portuguese 0225 GMT 2 Apr 90

[Interview with Labor Minister Antonio Rogerio Magri by Alexandre Garcia; date and place not given—live or recorded]

[Excerpts] [passage omitted] [Garcia] Regarding the issue of zero salary adjustments and the IBGE [Brazilian Institute of Geography and Statistics] report that the inflation rate was 44 percent, are workers making more or less with the new plan?

[Magri] They are making more. We need to change the way salary policies are analyzed. I say this as a former union leader. Unions should not make mistakes on this point. Unions have always negotiated gains that were immediately seen in their salaries, but workers had a false monetary idea of real gains. They thought it was a great victory when they were given a 71-percent salary increase under the Bresser plan. But it was a pyric victory because the increases were immediately passed on in the price of products. Today we have a different concept of salary policies. I usually say that the purchasing power of salaries is better measured when housewives go to supermarkets and load more things in the shopping cart than they were able to load two month ago. This is very easy to prove. Today the ministers, or the president, cannot fool anyone anymore. It is a matter of taking a shopping basket and entering a supermarket, or a shirt shop as I did day before yesterday. Prices have in fact dropped sharply. This is where the working class can see the actual gain. The worst enemy of the workers is inflation. Nothing can be more evil than an 80-percent inflation rate. Today we have a zero inflation rate. It is the true rate. Workers are eating and dressing better. I am sure that in two or three more months it will be even better.

[Garcia] Many businessmen have discovered that the recession is really smaller than what they expected at the beginning, that is, a small recession is beating an overbearing inflationary problem. There is also little unemployment. What do you think of it?

[Magri] Thank God for that. It is a very important issue. We discussed it with the president today. The truth is that people have overestimated some aspects of the problem. I have tried to talk with my union friends, my union comrades, to discuss with them what is happening, because some of the problems for which the government is made responsible are not really our responsibility. The economy had been stumbling for two or three months before we took over, it was already weak. Therefore, many things that are happening during the implementation of the Collor Plan are not the consequence of the plan but of a weakened economic situation. There is a

very small recession. It is very soft and it is the consequence of all that was wrong before. There is some unemployment, but it is a small when weighed against the list of problems the plan had to solve. [passage omitted]

Government To Hold Prices of 'Essential Goods'

PY0205183490 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 2 May 90

[Text] The government has decided that there will be no increase in the price-adjustment index for staples for the month of May. This announcement was made at noon today by Economy Minister Zelia Cardoso de Mello.

The Economy Minister thus seeks to maintain the unchanged price of all essential goods on the Sunab [National Superintendency of Supplies] list as well as those non-essential goods which could affect the inflation rate, like automobiles, glass, cement, and electrical appliances.

During a news conference this morning, Minister Zelia Cardoso said that utility rates and the price of cigarettes will remain frozen. School fees and rent will be included in another measure. Service rates have been unfrozen.

She also announced that imports will continue to be encouraged to avoid any pressure on the prices within the Brazilian market, and emphasized that the inflation rate for May is not expected to be zero.

[Begin Cardoso recording] Our inflation expectations for May will be announced on 15 May together with the minimum ceiling for salary increases. We believe that in view of the drop in inflation, which is one of our main objectives, we will be able to preserve the worker's purchasing power and their real salary. [end recording]

Destruction of Clandestine Airstrips To Begin

PY0205154690 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 2 May 90

[Text] An unprecedented operation in Brazil will begin at 0800 today in Roraima. It is called the Clear Jungle [selva livre] operation, and it foresees the dynamiting of all clandestine airstrips used by gold miners and drug traffickers for illegal activities.

The operation will be carried out jointly by the Army, the Air Force, the Federal Police, FUNAI [National Indian Foundation], and IBAMA [Brazilian Institute for Renewable Natural Resources and Environmental Affairs—Instituto Brasileiro do Meio Ambiente e Recursos Naturais Renovaveis] in compliance with a resolution by President Fernando Collor de Mello.

In the first stage of the operation, 12 of the 110 clandestine airstrips detected by the federal government will be dynamited. The first strip to be dynamited is located at the Bahiano Formiga gold mining fields. It is one of the largest.

For the destruction of each airstrip, Army technicians have reported that 170 kg of dynamite will be used in 40 different charges. The success of the explosions will depend on these charges. The explosions will be simultaneous, and according to the technicians, they will cause large, deep craters that will prevent any landing or takeoffs of clandestine airplanes.

According to IBAMA Assistant Secretary Autino Brasil, the work is not causing any concern. According to him, the Amazon Forest will cover the craters created by the explosives.

The airport at the Bahiano Formiga gold fields will be dynamited this coming Wednesday. The federal government will thus take the first concrete step, as established by the 1988 Constitution, to guarantee to the approximately 6,000 Ianomani Indians, who live in that state, better survival conditions.

During the destruction of this first clandestine airstrip, the Landsat satellite will record the explosions.

47 Billion Cruzeiros Released for Health Care

PY0305024490 Brasilia Domestic Service in Portuguese 2200 GMT 2 May 90

[Excerpt] In a ceremony at Planalto Palace today, the government released 47 billion cruzeiros for the health sectors in 22 states. The funds will be used to pay old debts and as a two-thirds advance payment for the second quarter. The funds will be used by the health sectors of the states and municipalities, and for outpatient clinics. [passage omitted]

Chile

Aylwin Addresses Crowd Attending Labor Day Rally

PY0205120090 Santiago Domestic Service in Spanish 1646 GMT 1 May 90

[Labor Day address by President Patricio Aylwin from the O'Higgins Park in Santiago—live]

[Text] My dear friends, the leaders of the United Labor Federation [CUT], of the union organizations, and of the unions who are attending this rally. My friends, the workers of Chile.

We are here today to celebrate Labor Day. This day is celebrated almost all over the world by those who earn their living from the daily efforts of their work.

Work has two connotations. On one hand it is a scourge because man is forced to work. The book of Genesis in the Bible says that we have been condemned to earn our living by our work. Work is then sort of slavery.

Yet on the other hand, work is the way through which man builds his own destiny. The book of Genesis also says that man has been placed on the earth to rule over it and to administrate it.

Thus, work allows man to fulfill his task of dominating the forces of nature and using them for his own needs.

Man achieves self-fulfillment through work, which in turn dignifies man. The peasant who sows the land, the carpenter and mason worker who build a house, the mechanic, the electrician and the professional, the miner, the businessman, the wise man, and the artist all transform the world with their work, using the forces of nature to increase the well-being of mankind.

Mankind's development and progress is the result of work.

Yet this day, particularly, marks the dignity of one type of worker, the salaried workers, who exchange their work for a remuneration that allows them to live.

This day marks the struggle of labor organizations, which for more than a century have struggled for the rights of salaried workers. In the final analysis, this struggle pursues justice. It seeks to create really humane conditions for work and for the life of workers.

The great challenge of workers, and of the entire society nowadays, is to create humane conditions for work so that man does not become a slave to his work, so that work does not become routine, and so that work does not become a means of exploiting men.

Work should allow all workers to fully fulfill their personality, to develop their creative capacity, and to improve the wellbeing of themselves and their families.

This year, as Manuel Bustos put it, we celebrate this labor day in freedom and with new hopes. After almost 17 years, we are rebuilding our democracy, the democracy that you, Chilean workers, helped to reconquer with so much sacrifice, the democracy that all Chileans should consolidate and preserve.

On this day we cannot help but recall that around 1983 the labor movement was among the first to overcome the fear imposed by the dictatorship and began the struggle for democracy. [applause]

We cannot help but recall so many harassed, imprisoned, dismissed, and exiled workers and labor leaders. We cannot help but pay tribute to those who died fighting for freedom and to those who disappeared or were murdered just because they were labor leaders.

We cannot help but recall a pubic servant leader who is a symbol of all dead workers, Tucapel Jimenez, who was unscrupulously murdered. [applause]

The national conscience demands the truth. It does not morbidly rejoice in our past or seek detestable revenge but it seeks justice for those who fell and who comply with an inescapable moral duty.

The Chilean people want to overcome hatred. They want no more war. They want peace. Yet peace can only be built upon the foundations of truth and justice.

That is why we have created the Commission of Truth and Reconciliation. That is why we have pardoned many political prisoners and we have approved the laws that seek to do justice for everyone. That is why we have drawn up a bill promoting the return of exiles.

Contrary to what has been said, we are not trying to pass judgment on the previous regime or to morally discredit the Armed Forces. To suggest such things shows narrow-mindedness.

The personal quality of the members of the commission is high enough to rule out such hateful suggestions.

Have not those who selfishly attach such intentions to us realize yet the generosity with which my government and the parties, of the coalition of parties for democracy, consider the past?

We could say many things, but we do not want to embitter Chilean life by washing all that dirty linen in public. History will clarify everything.

Some cases, though, must be clarified. This task will be undertaken by the Commission of Truth and Reconciliation.

There are cases like that of the national television, which was made public, or like the budget, which had no sources of funding as was reported to the country by Finance Minister Alejandro Foxley.

We might mention many other cases. It seems that during the previous regime, some sectors of our economy—which belong to the entire nation—were the target of a policy that deliberately sought to undermine and destroy the state apparatus and the national wealth, seeking to transfer it to private hands for ridiculous prices.

I reiterate, however, that we do not want to look into the past unless it is essential, because this can revive hatred and division, and Chile does not need that.

Fortunately, the vast majority of Chileans want something else. They want to look to the future, they want to overcome disputes, they want understanding, and jointly they want to build a united fatherland for all Chileans.

The accord that workers, businessmen, and government signed on 28 April is an expression of this constructive spirit. There may be those who—without the benefit of a careful analysis of all the background information—may react against this accord. Yet I believe that this accord reflects a new spirit which shows the position of a vast majority of Chileans.

I would like to pay tribute to those who made the effort to reach this accord, to their patriotism, to their capacity to foresee the future, and to their courage.

The labor leaders who were not afraid to struggle against the dictatorship, who were imprisoned or banished—like Bustos and Martinez—were able to defeat the fear of

what people might say, [applause] the fear of breaking old schemes, and the fear of overcoming obsolete positions . They have looked to the future in search for new forms of labor relations that will befit the new world that is emerging at the end of the 20th century.

The world is changing and so is Chile. The situation in East Europe is an indication that man is looking for new ways of coexistence, overcoming ideology and seeking above all to preserve human dignity. It is an indication that man wants realistic, just solutions. It is an indication that man prefers understanding and freedom instead of hatred and violence, that man does not want things imposed by force, but by reason and in keeping with the law. [applause]

In my opinion, the accord to which I am referring has five major connotations.

First, it means a new spirit in labor-management relations; it means the search for agreement instead of confrontation.

Second, it means the consolidation of the major role played by free and autonomous unions and business organizations in the resolution of their problems and in the construction of the future. The government is no longer expected to do everything. There is no more lobbying for ministerial and congressional support, in which each side advocates the approval of laws that favor its own position. The point now is to understand that this is a common task, and that legitimate business and labor organizations are able to independently engage in dialogue, defend their rights, and find realistic, just solutions. [applause]

Third, this accord means that people are now aware that the improvement of the situation of workers is inevitably linked with the success of enterprises and with the development of the economy. The mere distribution of wealth is not enough for improving the situation of workers. We have to grow. As I said at my inauguration on 12 March, if we distributed the national income in equal parts to the 12 million Chileans, no one would be satisfied. We have to promote growth so that our country may produce everything necessary for all Chileans to live a decent and truly human life. This will call for more investment, more technology, increased productivity, more exports, and new markets. All this entails the efficient management of the economy, which in turn means efficient businessmen and workers.

We need to improve our productivity. "To do things the right way" should become our main slogan. All of us, government officials, businessmen, workers, congressmen, and the courts, each in his own area, should do things the right way.

Fourth, this accord means a collective understanding of the necessity of macroeconomic balance and stable rules for the game. Like a family, a country cannot spend more than what it earns. Investors, workers, taxpayers, and citizens need to know what decisions to make. We need a balanced budget with its own sources of funds. We need a balanced balance-of-payments. We need clear and stable rules which may give security to all sectors.

Finally, this accord means the joint expression—by workers, businessmen, and government—of the national will to undertake the task of development on the basis of social justice. This task is not to be undertaken solely by workers, businessmen, or the government. It is a joint task to be undertaken by everyone.

Some will say that the minimum 26,000-peso monthly salary is too low, or that the 1,100-peso family allowance for those who earn up to 50,000 pesos and the 800-peso family allowance for those who earn between 50,000 and 70,000 pesos is low. I agree, it is low.

Frankly, I would have preferred to increase minimum salaries and pensions and, above all, family allowances by a higher percentage. However, what would have been the result of increasing them by a larger percentage, if some small enterprises had proven to be unable to pay such higher increases? What would have happened if the ghost of unemployment had appeared or had grown? What would have happened if such higher increases had been neutralized by inflation?

My friends the workers, I will tell you what I feel deep in my soul. I have seen what has happened in sister nations that have recovered their democracy. After recovering their democracy, they began policies which tried—in a single step—to return to the workers everything they lost during the dictatorship. They increased salaries and allowances by 100 percent or more. What was the res .lt of this?

All of us know. We saw it and we are still seeing it.

Inflation soared, which produced cost of living increases, monetary devaluations of 50 or 100 percent per month or 1,000 percent annually, and total instability for workers. All of us know that when inflation grows, prices grow more rapidly than salaries. Salaries never match inflation. Workers who live on a wage are the first victims and they have to make the hardest sacrifice.

That is why my government has to tackle this problem with deep responsibility. We will not take hasty measures but we will not delay them either. (?He who goes softly goes far). [preceding sentence in Italian] He who goes slowly but walking on sound soil advances firmly toward the expected goal. [applause, shouts]

But this is only a first step. There will be other bills following the bill on salaries, family allowances and minimum pensions. We will submit a bill on labor organizations and their funding sources. We want strong labor organizations, which represent the majority of Chilean workers. We want them to be properly financed. We respect the principle of labor freedom. Yet we believe that it is fair that all those who benefit from the work of unions should contribute to their funding. [applause, shouts] We will submit bills to grant legal status to labor centrals, so

that they may exercise their full rights with a sound foundation and without insecurity.

While Congress debates on this bill and on the bill dealing with the properties that were confiscated from social organizations and political parties, my government has decided to deliver to the CUT—in a regime of free loans—a house in downtown Santiago in which this organization may perform its activities. [applause, shouts]

We will submit a bill to reform the system of cancellation of individual labor contracts and compensation payment. We want to give stability to workers on a realistic basis.

We will submit a bill on collective bargaining to allow labor organizations to negotiate working conditions—on an equal footing—with businessmen.

We will promote all these labor reforms and others that will seek just and balanced labor relations, with the cooperation of labor and business organizations.

We do not want to impose rules. To the extent possible, we would like such rules to be the result of fair accords between interested parties. If there were no such accords, however, the government will not fail to comply with its duty of submitting to Congress the bills which—in the opinion of the government—will fairly modify labor and union laws, to effectively preserve the rights of workers. [applause]

We will also submit bills on the situation of some sectors, which have been affected by the social security system. We will submit a bill on the situation of... [changes thought] We would first like to establish general rules for everyone. We will then solve the situation of individual sectors which call for urgent consideration.

Representatives of dismissed workers are here at this rally. The situation of dismissed workers involves a problem of justice that the government has to consider. The government is considering this situation within its own possibilities. Clear rules have been set for reinstating the workers who were unfairly dismissed from the railway company and from Codelco [copper corporation].

We have set rules at the Ministry of Education for the gradual, progressive reinstatement of the teachers who were dismissed for political reasons. [applause]

We have also instructed all ministries to consider the situation of dismissed employees, so that they may be given preference for filling vacancies. We want to find equitable and reasonable mechanisms for solving this problem. Yet dismissed workers should also understand that [passage indistinct].

My friends the workers. Someone said not long ago that we should care for the rich because they are the sources of money. [shouts, whistling] I say that we should care for the people, especially those who need more consideration, the workers and the poor of Chile. [applause]

These phrases, which rather than phrases are deep concepts, clearly mark a radical difference between two styles of government. First, those who expect everything from the rich, from technocrats, and from the power of the government. Second, those of us who expect everything from the joint action of a nation that has united to work, resolve its problems, and achieve the well being that it cherishes with a spirit of justice and brotherhood. [applause]

For this reason, and because I believe we should care above all for the people, the following issues will be central for my government: the health of Chileans, the education of Chilean children, the education of youths—who should learn to earn their living, become useful citizens for the fatherland—[applause], and the construction of houses, particularly for the poor, for those who live in relatives' houses and cannot build their own houses.

Because of all this, because of the fact that our main concern centers around people, we will strictly demand compliance with social laws, particularly as concerns minimum salaries, the rights of mothers and women, the rights of labor leaders, and—above all—compliance with safety work regulations. [applause]

We will tackle our problems gradually. We will resolve those which are affecting several sectors, like temporary workers, the buyers of houses who have been unable to pay the obligations on their houses, and fiscal credit debtors. We will pay particular attention to the problems affecting the Chilean youths who graduate from high school or who abandon their studies half-way through and have no destiny because Chile can offer no real possibilities to them, and because the education that they received does not allow them to earn their living. This is a central task for my government. [applause]

My friends the workers. We face the great challenge of consolidating our democracy. This means to democratize city halls and to amend the Constitution to make sure that people will build their own destiny, that in a state of law everyone will participate in the construction of the fatherland that we want, and that the government will express the will of the majority on the basis of respect for the rights of the minority and respect for the inalienable rights of man. [applause]

This means that we will have to develop our economy. We have to increase production, create new jobs, and give stable and well paid jobs to all Chileans. Yet this objective shall not be achieved with laws or words but with effort, with clear and stable rules, with incentives for businessmen, and with incentives for workers, who need them more than businessmen. [applause]

Our challenge is to achieve democracy, economic development, and social justice. There can be neither stable democracy nor prosperous economy without social justice. This is a major, fundamental tenet of all supporters of democracy. I call upon all Chileans to observe it.

To achieve this objective we need a united nation. We need to overcome the hatred of the past, we need to overcome ideological schemes and act with a brotherly spirit, seeking understanding and reconciliation, moving forward toward the peace which all of us cherish.

I have faith in our capacity to make it. Chile is a country of valuable people. As Ercilla put it, Chilean workers are so colorful. What did he mean by that? He meant to say that they are selected people. The truth is that Chilean businessmen, intellectuals, professionals, workers, peasants, miners, and industry workers are intelligent, clever people who have initiative and creative capacity.

I felt proud while abroad I was told about the quality of Chilean workers, who have creative capacity and who can overcome problems with scarce means, thus helping their enterprise to achieve prosperity.

Chile is not only a beautiful country from a geographical viewpoint. We love our mountain ranges, our sea, our valleys, our rivers and our lakes. Chile has wealth, multiple wealth that is hard to extract. The northern desert and mountain range provide us minerals in quantities and qualities that are not easily found in other countries. Our southern forests give us chances for our lumber and cellulose industry and for other industries. The central valley, with its fine climate, grannt us a chance to produce the world's finest fruits.

Such are our possibilities. We must be able to use them. This depends on us. There are private investment projects for $12 billion over the next four years. The public sector has planned investment for infrastructure development, for building essential facilities.

I will reiterate now, even if the former minister of public works disagrees with me, that over the past few years the construction of essential facilities has been far below the real needs of the country.

Chile has bottlenecks in ports, highways, irrigation facilities, and general infrastructure facilities.

We must be able to build that infrastructure, so that we can continue to produce wealth, moving it from one place to another, exporting it to conquer new markets.

For all this we need businessmen with initiative, we need hardworking men, we need a spirit of justice, we need the will to unite and to succeed jointly. We will make it with the help of everyone. Chilean workers, we will make it thanks to you, to your efforts.

Thus, our children, and the children of our children, will have the happy country that we cherish. Thank you, very much. [applause]

Economy Minister Admits Inflation Revived

PY0205154090 Santiago Domestic Service in Spanish 1100 GMT 2 May 90

[Text] Economy Minister Carlos Ominami has admitted that inflation in Chile has revived. Ominami said that the consumer price index for April will be approximately 1.7 percent higher, which coincides with the estimated figure released by the Central Bank a few days ago.

The minister said that this is the result of an overheating of the country's economy over the past few months and that the economy must be handled with firmness during the coming months.

Ominami met with the media during the main ceremony organized by the CUT [United Labor Federation] to celebrate 1 May at the O'Higgins Park in Santiago.

Defense Minister on Military Adaptation Problems

PM0305111290 Lisbon DIARIO DE NOTICIAS in Portuguese 20 Apr 90 p 12

["G.L." interview with Defense Minister Patricio Rojas; date and place not given]

[Excerpt] [passage omitted] [DIARIO DE NOTICIAS] What have been the main problems in implementing the government's new policy in the military field?

[Rojas] There are two kinds of problems.

The former stem from the psychological changes demanded by the new era being experienced by the country. A mental adjustment is obviously needed to change from a ruling class—which is what the Chilean military was for the past 16 years—to a clearly professional class subordinate to civilian authority. This is the first major problem—taking on new roles, accepting them, and fulfilling them according to current constitutional and legal requirements.

The other problems are those that Chilean society suffered during these 16 years' experience of authoritarianism. I will cite two instances: that of political prisoners, which still creates tension in Chilean society; and—another major example—how the government and society are to deal with the human rights violations which occurred during the past authoritarian period.

The government is working in these two areas, promoting a legislative reform that aims to alter various provisions covering both procedures and jurisdiction affecting political prisoners, which could be significant for the almost 400 people subject to what could be classed as political trials.

Furthermore the government will be announcing in the next few days the establishment of an information and data collection body that will make it possible to establish the truth about human rights violations. But, as President Patricio Aylwin has said, all this will be done combining principles of justice and prudence.

The idea is to create an information group consisting of independents of various leanings, representing broad sectors of Chilean society, which can collect information about those affected by human rights violations.

The aim is to collect as much data as possible, which will make it possible to present a report to the Presidency, Congress, and the courts, and to find the paths of truth, which are those that Chilean society wishes to pursue.

It must be said, however, that this group in no way presumes to constitute an investigative body that would encroach on the jurisdiction of the courts, which will be the only legal institution authorized to examine, investigate, or punish human rights violations.

[DIARIO DE NOTICIAS] The human rights issue has clearly dominated the attention of the Chilean press recently. Could this create problems in relations between the government and the Armed Forces?

[Rojas] These are delicate and sensitive topics in a society subjected to much distress and suffering during a fairly recent period. It is not like in Spain, for instance, where after 40 years of an authoritarian regime, democracy was regained and it was very easy to forgive and forget.

I would say that Chilean society displays a rational attitude, a desire to work calmly and to look to the future, but also to seek the truth through justice, a coming together, reconciliation, and even forgiveness, combining all these factors together.

I would say that the vast majority of Chilean society supports the whole effort for peace, to reject violence, and to seek the factors in recent new situation that will make it possible to reach conclusions via the legal path, which is that which must be pursued. I do not believe that Chilean society will experience much increase of tensions over these actions of the past. We want to keep everything within very rational limits, with the final aim of reconciliation and forgiveness.

[DIARIO DE NOTICIAS] What have your relations with General Augusto Pinochet been like this month?

[Rojas] They have been normal, though there have been few contacts—on only three occasions—because he is on vacation until June. Nevertheless there has been a great spirit of cooperation and mutual respect.

President Aylwin Meets With PLO's Faruq Qaddumi

PY0305010090 Santiago Radio Cooperativa Network in Spanish 2300 GMT 2 May 90

[Report by Manuela Robles]

[Text] Among his activities this afternoon, President Aylwin met with PLO international relations chief Faruq Qaddumi.

In an official communique, the Chilean Government states that it supports the principle of self-determination of peoples and recognizes the Palestinian people's inalienable right to self-determination and Israel's right to exist within safe and internationally recognized borders.

Faruq Qaddumi was asked if the resumption [as heard] of diplomatic ties between Chile and the PLO was discussed with President Aylwin.

[Begin Qaddumi recording, in Arabic with simultaneous Spanish translation] We expressed our interest in establishing bilateral relations. The president promised to study it.

The president promised that Chile would pursue a policy supporting the Palestinian people's right to self-determination [words indistinct] and to champion the Palestinian people's human rights whenever those rights are violated. [end recording]

The Chilean Government's official communique also indicates that the respect for human rights and international [word indistinct] is one of its main foreign policy guidelines.

The communique also states that the government wants to improve its ties with the Palestinian people to contribute to world peace. In this regard, the government confirms its willingness to authorize the opening of an Arab League office in Santiago.

Pinochet Says 4,050 Inmates on Hunger Strike

PY0205144490 Santiago Domestic Service in Spanish 1100 GMT 2 May 90

[Excerpt] National Gendarmerie Director Cesar Pinochet has disclosed that the number of inmates currently on a hunger strike in the various prisons throughout the country totals 4,050. More than half of them are inmates of prisons in the interior of the country. [passage omitted]

Colombia

Barco Opposed To Foreign Mediation in Talks

PA0205231990 Hamburg DPA in Spanish 2156 GMT 2 May 90

[Text] Bogota, 2 May (DPA)—Colombian President Virgilio Barco Vargas said today that he is opposed to the possibility of having Venezuelan counterpart Carlos Andres Perez, and former U.S. President Jimmy Carter mediate between his government and the guerrilla groups operating in the country.

In brief statements to journalists, the chief of state strongly stated: "We do not need mediation at all," adding that "Colombia has the capacity to handle its own affairs."

The participation of Perez and Carter in a future peace process between the executive branch and the Simon Bolivar National Guerrillas Coordinating Board

[CNGSB]—which groups together all subversive movements—was announced by Jacobo Arenas, commander of the Revolutionary Armed Forces of Colombia (FARC).

The rebel leader said that it is necessary to "internationalize" the armed conflict in the country, so that other countries can assess the reality in Colombia.

The Venezuelan president confirmed Arenas' announcement and did not hesitate to say that this would be a great contribution toward peace in Colombia.

The CNGSB, consisting of FARC, the Maoist Popular Liberation Army, the pro-Cuban Army of National Liberation, and the Quintin Lame group have criticized the dialogue that ended with a peace accord between the administration of Barco Vargas and the 19 April Movement (M-19).

According to the guerrilla leaders, M-19 was militarily defeated, therefore a peace process with all members of the CNGSB should be approached in a different manner.

Liberal Party Senator Kidnapped by EPL Unit

PA0205234090 Madrid EFE in Spanish 2018 GMT 2 May 90

[Text] Bogota, 2 May (EFE)—The kidnapping of a Colombian Liberal Party senator and two new attacks against policemen in Medellin and Cali which resulted in material losses and four wounded, plus an atttack on a toll post, have characterized an upsurge of violence in Colombia.

Roman Gomez Ovalle, a senator elected in the last legislative and municipal elections on 11 March, was kidnapped last night by a commando unit of the Maoist Popular Liberation Army (EPL), the authorities reported today.

The senator and political leader was kidnapped by three men who intercepted his vehicle on a road near Villanueva, Department of La Guajira, some 1,100 km north of Bogota. His wife, Sara Cabas de Ovalle, stated today that three EPL members forced the political leader to accompany them to an unidentified place. She asked that his captors respect his life.

At the same time, at about 0230 (0730 GMT), an alleged commando unit of the Marxist Army of National Liberation (ELN) attacked and destroyed a toll post on the highway near Neiva, departmental capital of Huila, 280 km southwest of Bogota. The highway police reported that the alleged ELN members stole the collected tolls at gunpoint and forced the toll officials to leave the post, which they later blew up.

A few hours later, unidentified persons set off a charge of dynamite near the Antioquia police command headquarters in Medellin, second most important city in Colombia, 250 km northwest of Bogota.

General Harold Bedoya, commander of the 14th Military Brigade, reported that an unidentified terrorist group perpetrated this newest attack against the police in Medellin, in which only material losses were caused but no casualties.

Colonel Carlos Julio Castano, commander of the Antioquia police command, said that unidentified persons "approached the command building through sewage tunnels." He said that the charge of explosives contained some 30 kg of dynamite.

On 11 and 25 March two car-bomb attacks against the Medellin police resulted in 28 dead, including 14 policemen. More than 80 persons were wounded in both attacks.

Another group of uidentified persons attacked a police station in Valle del Cauca, 300 km southwest of Bogota, wounding four policemen.

Civilian and military authorities of Antioquia and Valle del Cauca have called their respective governors to participate in a security council meeting to design strategies to quell the narcoterrorist actions. The attacks committed in the capital of Antioquia against the police are attributed to the "Extraditables," group, which is the armed branch of the narcotrafficking "Medellin Cartel" organization.

The Bogota Defense Ministry reported today that 14 soldiers who were in a truck escaped unscathed when a bomb exploded as their vehicle was passing on a road near Cachira, Northern Santander Department. Military sources noted that the attack against the truck was carried out by a column of ELN guerrillas who are active in that region, 550 km northeast of the Colombian capital.

M-19 Blames 'Security Services' in Pizarro Death

PA0305010290 Mexico City NOTIMEX in Spanish 2241 GMT 2 May 90

[Text] Mexico City, 2 May (NOTIMEX)—The 19 April Movement [M-19] today accused the Colombian intelligence services of assassinating M-19 presidential candidate Carlos Pizarro.

"We attribute Pizarro's death to the Colombian security services," said M-19 directorate member Rafael Vergara during a news conference held in Mexico City.

The political and diplomatic commission of the former rebel group turned political party has proposed the creation of an international group to permanently protect the presidential candidates' lives.

Miguel Marin, also a member of the M-19's directorate, pointed out the need for various international organizations to designate political personalities who would accompany each of the presidential candidates on their campaigns.

"We intend to check the triggers of the Colombian oligarchy, who are to blame for the assassination of four

presidential candidates in the past few years," the political movement's representatives said.

They denied that the M-19 is in favor of drug trafficking, but advocated the legalization of drugs and the nonextradition of drug producers.

The M-19 members said that the clarification of their top leader's death is essential for the credibility of Virgilio Barco's regime. They said that Pizarro's basic proposals to pacify the country will be taken up by Antonio Navarro Wolff, who replaced Pizarro as the M-19's presidential candidate.

They asked the international community to help put an end to arms traffic in Colombia, because in 1989 foreign investment increased by 148 percent over that of 1988.

"What Colombia needs is to attain peace with social justice. For this reason, it is necessary to talk and negotiate with all of the influential sectors in Colombia, including the drug traffickers," Vergara and Marin pointed out.

Navarro: 'No Reason' for Escobar To Order Murder

PA0305012790 Paris AFP in Spanish 2244 GMT 2 May 90

[Text] Bogota, 2 May (AFP)—Antonio Navarro Wolff, the new presidential candidate of the leftist M-19 [19 April Movement], said on Wednesday that top drug trafficker Pablo Escobar had no reason to order the murder of his predecessor and leader Carlos Pizarro.

He warned, however, that the M-19 has not ruled out any possibility concerning the origins of Pizarro's murder on 26 April.

Based on their preliminary investigations, the Colombian Government and the police have blamed Escobar for the murder.

Escobar said in a letter, signed with his thumbprint, sent last week to Colonel Oscar Pelaez, commander of the Judicial and Investigations Police Directorate (DIJIN), that he liked the M-19 and that he had once hidden two M-19 leaders to keep them safe.

Navarro Wolff, who replaced Pizarro as presidential candidate in the 27 May elections, confirmed the narcotics trafficker's version on Wednesday to the private Radio Caracol.

The media, particularly the political analysts and the press columnists, claim Pizarro was killed by the ultraright.

Although Navarro Wolff quickly rejected any M-19 links with narcotics trafficking—aside from what Escobar disclosed—he said he supported conducting a dialogue to seek peace in Colombia, including talks with the cocaine mafia.

4 Policemen Injured by Bomb; Army, Rebels Clash

PA0205224890 Bogota Radio Cadena Nacional in Spanish 1200 GMT 2 May 90

[Text] Four policemen were injured when a load of dynamite exploded at a police station in the Modelo neighborhood in northeastern Cali.

A spokesman for the Santiago de Cali Metropolitan Police announced that the injured policemen—Armando Osorio Hurtado, Jose Ferney Ortiz Carbona, Juan Guillermo Carbona Casanova, and Laureano Patino—were sleeping at the station at the time of the explosion. Authorities announced that the terrorists exploded at least three devices of medium force. The injured policemen were taken to a medical clinic, where it has been announced that their condition is not serious.

In Medellin, police sources announced that considerable damages were sustained by the Antioquia police headquarters when a bomb activated by remote control exploded at the installation at 0525.

Although there were no reported victims, several vehicles parked in the headquarters' parking lot, a fence, and a garrison were damaged by the explosion, which left an opening of approximately seven meters in the wall of the building.

Several operations were immediately initiated to attempt to locate and arrest the perpetrators of this newest action against the National Police. Between March and today, 28 policemen have been killed in terrorist attacks by unidentified individuals who perpetrated their crimes by placing car bombs and explosive devices in areas used by the police, as in the incident this morning in Medellin.

In Bogota, Army troops and National Police forces supported by armored helicopters have continued search and control operations in rural areas in the northeastern part of the country following clashes with subversives from the FARC [Colombian Revolutionary Armed Forces] and ELN [Army of National Liberation], during which two soldiers and two guerrillas were killed.

According to the report issued by the Defense Ministry, in the area known as Peralonso, which is in a rural area between El Cerrito and Pamplona Municipality in Norte de Santander Department, ELN insurgents ambushed a military convoy. During the ambush Sergeant Luis Reina Benalcazar and 1st Corporal Cristobal Rodriguez Olaya were killed, and at least five guerrillas were injured.

The military patrol's reaction thwarted a massacre, because the Army troops managed to make the rebels flee to a mountainous area to avoid capture.

Peru

Garcia Denies Coup, Calls Rumors 'Nonsense'

PY0305034090 Lima Television Peruana in Spanish 0100 GMT 3 May 90

[Excerpts] President Alan Garcia has downplayed the importance of the rumors about a possible coup d'etat. He indicated that democracy is solid and firm. [passage omitted]

[Begin recording] [passage omitted] [Reporter] Mr. President, what do you think about the rumors and media reports concerning mobilizations within the Army; about the possibility of a coup? They seem to be knocking on the door.

[Garcia] Well, when there is talk of someone knocking on the door, then someone is knocking on the door. Your question indicates that some civilians are interested in interrupting the democratic process because the results were not the ones they desired.

But this... [changes thought] You may rest assured that no one will respond from within. I am the supreme chief of the Armed Forces and of the police forces of Peru.

I guarantee that anyone who is elected on 3 June 1990 will receive the presidential sash from my own hands. I guarantee that democracy in Peru is solid and firm. I guarantee that no one will be able to stop the democratic process by which we Peruvians elect our rulers.

I believe that those reports or rumors are part of the dirty war. Dirty arguments are sometimes used here. I have already seen these dirty arguments being used against one of the candidates. I believe that this practice must be stopped. I also believe that things are very clear for Peruvians. Despite those rumors or costly campaigns by the public media, the Peruvians know very well how false the nonsense and rumors are.

This thing about the coup is nothing but partisan nonsense, and I will take care of this because I am the president of all Peruvians.

Anyone may be elected. However, anyone who is elected by the majority of the Peruvians will definitely receive the presidential sash from Alan Garcia on 28 July. [end recording]

Presidential Candidates' Labor Day Addresses

Fujimori Addresses Workers

PY0105154890 Lima Television Peruana in Spanish 1313 GMT 1 May 90

[Message to the workers by Change 90 presidential candidate Alberto Fujimori on the occasion of Labor Day; place not given—recorded]

[Text] Dear fellow countrymen, good evening.

I am addressing you, Peruvian workers, from the fields or from the cities, whether unionized or not, from the formal or from the informal economy, of the public or of the private sectors.

I am addressing you who are struggling daily to bring food to your homes through honest work. I want to extend my affectionate greetings to you on this 1 May.

I think for many years this greeting has been restricted to the formal economy workers. The Peruvian working class has become larger and more heterogeneo s than ever. The working class is not only made up of factory workers, of public or private employees, or of the agricultural workers who have a stipulated salary or wage, it comprises all Peruvian workers, men or women, who are boss and employee at the same time. I am referring to the large number of informal economy workers.

Very seldom do we think that Peruvian workers' lives are filled with heroism and self-sacrifice for the fatherland. This heroism may be different from that of our main heroes, Miguel Grau and Francisco Bolognesi, but it is also filled with the same love for Peru. Daily millions of Peruvian workers have to face the difficulties of obtaining food and educating their children. They have difficulties with transport and with health treatment, etc.

Despite the serious crisis, these workers keep building Peru, disregarding the traditional governments and parties, through their efforts and their imagination. This is heroism.

For this reason, and above and beyond a mere celebration, this 1 May must see us meditating on the workers' role in building our society. This meditation will be difficult because at this moment of economic crisis, today more than ever, we have to be aware that the workers are overburdened.

The national unity or social harmony we are proposing for Peru cannot ignore this fact. On the contrary, this overburdening must be overcome through a civilized understanding. Workers and businessmen must share this responsibility, but this responsibility must be proportionate to their economic capability.

No policy can overlook the workers' capacity to resist, or the resistance of the weakest sectors of our people, by trying to implement shock economic measures. No social support program that can be mistaken by a sort of large-scale charity program can be proposed at the last moment. The workers can no longer be deceived. They defend their dignity and hope for honorable work and not for charity.

As you have been able to see, the strong economic sectors of Peru have large resources in some communications media, and they can either silence or distort the just aspirations and achievements of the working class, because this class does not have the same resources.

Change 90, which to a great extent is the result of a revolution, a revolution of workers in the ballot boxes, is

aware of these limitations and flaws in the Peruvian democracy, and hopes that in the future these limitations and flaws will disappear so that all Peruvians will be on an equal footing.

I want to take this opportunity to tell you that Change 90 is today firmer than ever in defending the right to work, and is against proposals for massive layoffs suggested by another candidate.

The modern and dignified Peru desired by the working class must be based on freedom and justice, and not on layoffs. Thus, my dear fellow workers, I want to reiterate my sincere greetings to you all, to you who are moving Peru with your efforts, with your love for our fatherland that provides shelter to everyone.

My dear fellow workers, have a happy day. Thank you and good night.

Vargas Llosa's Greeting

PY0205143090 Lima Television Peruana in Spanish 1100 GMT 02 Apr 90

[Text] Fredemo [Democratic Front] presidential candidate Mario Vargas Llosa sent a Labor Day greeting to Peruvian workers from his residence in the Lima neighborhood of Barrancos. Earlier in the day, Vargas Llosa met with his campaign advisers, U.S. columnists, and Alberto Masaro of the ONA [expansion unknown].

[Begin Vargas Llosa recording, in progress] ....a very fraternal and cordial greeting to all Peruvian workers who are celebrating this labor day in an exceptionally difficult time due to the very serious economic crisis the country is living today. The very high inflation rate, which has apparently reached 38 percent in April, and the sharp drop in the purchasing power of incomes has particularly affected salaried staff and peasants very hard. Our national production and savings have also dropped sharply. The overall situation is very difficult, particularly for the poorest sectors, for those on a salary, and for those without a job.

On this Labor Day I would like to greet workers and send a word of hope to all Peruvians in the formal and informal economy, to the unemployed and to the peasants. I want to tell them not to lose hopes because our country has more than just the crisis. Peru has the human and natural resources necessary to overcome the crisis and restart a process of growth. There is also hope because many Peruvians like us are working day and night, without pause, to face the crisis with technical, professional, realistic proposals full of social sensitivity. We call on all Peruvians of goodwill to help us reconstruct and modernize the country, to help us reincorporate it in the world so it can take advantage of all its resources and give all Peruvians, without exception, a decent standard of living.

The Fredemo was created to seek a modernized, pacified, and fraternal country. With these ideas, which are essentially positive, realistic, and democratic, we want to begin our campaign for the runoff election. [end recording]

Fujimori's Government Program Due 'Very Soon'

PY0205114690 Lima Television Peruana in Spanish 1800 GMT 1 May 90

[News conference by Change 90 presidential candidate Alberto Fujimori with unidentified reporters outside his private residence in Lima on 1 May—recorded]

[Text] [Fujimori] All Peruvians know that because of very special reasons I have not yet issued [my government program]. For example, I have had no opportunity to discuss it before the first round of elections because I was not invited by the IPAE [Peruvian Institute of Business Administration]. I was very surprised to see that the IPAE has invited me now. But I will issue my government program very soon. I have a complete government program.

[Reporter] Will you issue your government program this week?

[Fujimori] Yes, it is very likely that this will be the case. Through the many rallies I have held, the people are perfectly aware that I follow specific guidelines and that they are sharply different from those followed by Fredemo [Democratic Front].

[Reporter] Are you keeping the people and the media in suspense because you were not invited by the IAPE?

[Fujimori] No, of course not. But I do think I have the right to choose the date when to issue my government program. Do you not you think so?

[Reporter] Is it true that you never had a government program and that you are drafting it now?

[Fujimori] Goodness gracious, that is absolutely absurd. But....

[Reporter, interrupting] When did you draft your government program?

[Fujimori] I drafted this program a long time ago. I drafted it over a year ago. I am the head of an organized group. It was not organized overnight. Just think, if we did not seek to run in the presidential elections, we would not have registered our party in 17 departments. We would have concentrated our effort to run in Lima's senatorial race.

[Reporter] What are the basic guidelines of your government program?

[Fujimori] You will learn about them very soon. But people have an idea of what it will be like. It will be different from the one promoted by Fredemo. We are against the implementation of a shock economic policy. In the message I delivered last month, I said that state companies will not be privatized. For example, I said

that—and the people unanimously agreed with this—the customs office will not be privatized under any circumstance. But tell me, how can we privatize the customs office, the post office, or the ports. I would rather urge that these three state companies ...

[Reporter, interrupting] How about Petroperu [State Petroleum Agency], Aeroperu [Peruvian State Airlines], Entelperu [National Telecommunications Enterprise of Peru],...

[Fujimori] Petroperu, Aeroperu, Entelperu...[changes thought] well, I believe the people are happy that we will be in government so that all these important companies—which have to be restructured, reorganized and made more productive—will not be privatized.

If we had not run, Fredemo would have achieved an absolute majority. Goodness, this would have meant that we would be governed by auctioneers and bidders. This would be extremely dangerous for Peru.

[Reporter] What do you think about the current Fredemo campaign which has changed its message?

[Fujimori] Well, it is their business. I do not want to comment on this.

[Reporter] It is said that to vote for Fujimori is to vote for continuism. This is what your political adversaries say, what do you have to say about this?

[Fujimori] Well, I would tell them that to vote for Vargas Llosa is to continue with the Popular Action government. Peruvians have a very good memory. It is not as weak...

[Reporter, interrupting] Does this mean you are certain of your victory in the second round?

[Fujimori] No, I am not certain.

[Reporter] [Question indistinct]?

[Fujimori] No, I am optimistic. At this time I have the people's support.

[Reporter] [Former President] Belaunde Terry said that all you wanted was to be elected senator and that you have already achieved this objective. What will you say in this regard?

[Fujimori] This is Mr. Belaunde's personal opinion. It seems he has brought back some very revolutionary ideas from the USSR. [laughs]

Trial of MRTA Leader Begins Under Heavy Security

PY0105140890 Lima Television Peruana in Spanish 0100 GMT 1 May 90

[Text] The trial of top MRTA [Tupac Amaru Revolutionary Movement] leader Victor Polay Campos has begun under strict security measures.

He was brought to testify before the 12th Court. The oral trial began at 1050, 14 months after the arrest of the top MRTA leader. Prosecutor (Lumila Huaman Vinga) recommended that Polay Campos be sentenced to 20 years imprisonment.

Polay Campos is accused of carrying out attacks in Juanjui, Soritor, and San Jose de Sisa. He is also accused of several kidnappings and of murdering two policemen.

He went to court with his girlfriend Rosaluz Padilla. During the trial, he was assured that there will always be security measures to prevent any attack on his life. The court is chaired by Maximo Antesana.

Reporters from different communications media were waiting behind the court building but the security agents managed to avoid them and took the detainee in through the front of the building.

Electricity Rationing Affecting 40,000 Companies

PY0105223690 Buenos Aires DYN in Spanish 2350 GMT 30 Apr 90

[Text] Lima, 30 Apr (AFP)—The National Association of Industries [SNI] has reported that more than 40,000 Peruvian companies are being affected by drastic electricity rationing, resulting in total daily losses equivalent to $1 million.

Francisco Martinotti, the SNI Small Industry Committee chairman, has said that responsibility for the electricity rationing lies with the drought—which has also forced the rationing of water to the power plants—and the Shining Path, which between January and March has knocked down 78 high-tension electrical towers.

Companies in Lima and in other important Peruvian cities, such as Arequipa, Chiclayo, Trujillo, Huaraz, and Ica, cannot plan their production because of the untimely power cuts, Martinotti indicated.

Martinotti added that the daily $1-million loss has been calculated based on what the companies stop producing as a result of the power cuts.

"No cost estimates have yet been established for the damage caused to the industrial equipment as a result of the untimely power cuts and abrupt power restorations," Martinotti noted.

Concerning the Shining Path attacks on the electric towers, Martinotti said that they just represent part of the difficulties faced by the small industrialists. The drought, which only made a water shortage worse, and the obsolete power plants existing in the provinces have complicated the situation, he said.

The Peruvian authorities believe that the cost to replace or repair the 78 towers knocked down during the first quarter of 1990 totaled $182.2 million.

Clandestine Graves Discovered in Huamanguilla

PY0105220090 Buenos Aires DYN in Spanish
2338 GMT 30 Apr 90

[Text] Lima, 30 Apr (AFP)—Local peasants reported to the police on Monday that some 170 skulls and other human remains, showing signs of having been shot, were discovered on Saturday [28 April] in a clandestine cemetery, presumably belonging to the Shining Path, in Huamanguilla District, 40 km northeast of Ayacucho.

According to preliminary information supplied by Huamanguilla Civil Defense Chief Felix La Rosa, the Shining Path had a camp in the remote south Andean area, at an altitude of 4,500 meters. Remnants of medicine, weapons, ammunition, homemade bombs, and communist literature were also found on the site.

La Rosa said that a 40-man peasant defense patrol discovered the two graves during a routine patrol of the region, 540 km southeast of Lima.